

Arrayed against these small and elusive units is the military power of America. We have all the tanks that there are in South Vietnam. We have all the armored personnel carriers that there are in South Vietnam. We have almost all of the artillery, and we retain complete mastery of the skies. Over 20 different models of American aircraft, undisturbed by enemy aircraft, roam the skies of South Vietnam at will, subject only to the danger of ground fire from conventional small arms.

Many voices have been raised asking why our airpower is unable to find and destroy the Vietcong in South Vietnam. Chairman L. MENDEL RIVERS has asked this subcommittee to look into this question. Due to the present pressing congressional obligations of the members and staff of the subcommittee, we will have limited opportunities to travel for the purpose of field investigations until recess of this session of Congress. In addition, the time allotted to the subcommittee is not sufficient to allow us at this time to inquire into every detail related to tactical air support, and therefore we must limit our investigations to the following aspects:

1. The adequacy of our close air support during the course of the war in Vietnam and today;
2. The availability of close air support 24 hours a day under all weather conditions;
3. The quantities available, the cost and effectiveness of the various tactical aircraft being used in South Vietnam today;
4. The adequacy of liaison and communications between the air forces and the ground forces in Vietnam;
5. The adequacy of existing logistic and support facilities for tactical aircraft in Vietnam;
6. The development of new tactics and techniques for close air support;
7. Whether any progress has been made in developing and producing a new type air-

craft for close air support in limited war situations;

8. The adequacy of our training environment to simulate conditions such as those found in Vietnam.

For the purpose of the subcommittee during these investigations we have adopted the Joint Chiefs of Staff definition of close air support: "Air action against hostile targets which are in close proximity to friendly forces and which require detailed integration of each air mission with the fire and movement of those forces."

I believe that these hearings have a significance beyond our current confrontation in Vietnam. As we look at the globe we can see over much of its land surface other peoples who must be considered amenable to Communist propaganda, to Communist subversion, to Communist terror. We see people who remain hungry, who remain ill clothed, ill housed, and uneducated. We can see at the outset that no amount of military power of any kind is the answer to their problems. We would be blind indeed, however, if we could not also see, as we see in Vietnam, that no government can attack and solve these problems when it is the steady victim of armed terror and armed insurrection aimed not at the solution of the people's problems, but at the domination of the people themselves. As we look at the globe we also find countless other areas where not only the economic and social problems are the same as those in Vietnam, but where the geography is the same. We find countless regions where small bands of armed guerrillas can operate effectively in jungles, as the Vietcong do in Vietnam, as Castro did in Cuba, and as is being done on the continents of Africa and South America today.

The question before us is, having been forewarned, have we adequately forearmed

ourselves? Have we used too much of our resources in preparing for the kind of warfare which Khrushchev has described as intolerable, and not enough of our resources in preparing for the kind of warfare he described as inevitable?

These hearings will of necessity be held almost exclusively in executive session. They will not be accompanied by spectacular press releases, nor will any of the issues to which we direct our attention be prejudged. It is our purpose to study and, if we can, to help solve them. We are starting our hearings not with the testimony of planners in the Pentagon, who would tell us how our system should work; we are starting our testimony instead with witnesses who have been on the firing line in Vietnam and can tell us how it does work. Today we will hear witnesses who have been on the ground, and who have needed air support; tomorrow we will hear those who have been in the air and have tried to provide it. It is obvious that any weaknesses in our system of close air support have not proved fatal to those whom we will hear from. What others who called for air support and failed to receive it might have testified we can never know. In future sessions we will hear from the men who plan our tactics, procure and manufacture our planes, and train our pilots. We will visit the bases and places where these activities are conducted.

I say to each of the witnesses that before we can help you, you will have to be candid with us. I enjoin each of the witnesses to speak freely and in his own words, to give an account of his personal combat experiences in Vietnam during which close air support was requested. We are particularly interested in your personal evaluation of what happened, or what should have happened.

## SENATE

THURSDAY, SEPTEMBER 23, 1965

(Legislative day of Monday, September 20, 1965)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by Hon. DONALD RUSSELL, a Senator from the State of South Carolina.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, high over all, pilgrims of the night, we would reach for Thy hand in the darkness. Even as the busy tribes of flesh and blood, with all their cares and fears, are carried swiftly onward by the flood of this tempestuous day, lead us who seek Thy face to still waters and green pastures where in some shrine of the spirit we may be assured of those values which are excellent and permanent and which assert their sovereignty in all life's changing scenes.

Etch deep in our hearts the suffering and pain of shepherdless multitudes, so wearied by the burden and the stress of life. Grant us such a vision of our needy world in this great day of our opportunity as shall make us instant and eager sharers with Thee in its redemption. Redeem our failures, pardon our transgressions, transform every task into a throne of service and crown this day of

labor with the benediction of Thy "well done."

We ask it in the dear Redeemer's name. Amen.

### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,

Washington, D.C., September 23, 1965.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. DONALD RUSSELL, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

CARL HAYDEN,  
President pro tempore.

Mr. RUSSELL of South Carolina thereupon took the chair as Acting President pro tempore.

### FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS FOR 1966

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes under the bill. It is my understanding that the floor manager of the bill will then yield 10 minutes to the distinguished Senator from New York [Mr. JAVITS].

### THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, September 22, 1965, was dispensed with.

### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on September 21, 1965, the President had approved and signed the following acts and joint resolutions:

S. 20. An act to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes;

S. 135. An act for the relief of Elizabeth Kam Oi Hu;

S. 136. An act for the relief of Angel Lagmay;

S. 454. An act for the relief of Lee Hyang Na;

S. 521. An act for the relief of Maria Glondona Femia;

S. 828. An act for the relief of Cha Mi Hi;

S. 879. An act for the relief of Kim Sa Suk;

S. 971. An act for the relief of Mrs. Elena B. Guira;

S. 1084. An act for the relief of Shu Hsien Chang;

S. 1170. An act for the relief of Chung J. Clark;

S. 1186. An act for the relief of Kris Ann Larsen;

S. 1209. An act for the relief of Specialist Manuel D. Racelis;

S.J. Res. 89. Joint resolution extending for 2 years the existing authority for the erection in the District of Columbia of a memorial to Mary McLeod Bethune; and

S.J. Res. 102. Joint resolution to authorize funds for the Commission on Law Enforcement and Administration of Justice and the District of Columbia Commission on Crime and Law Enforcement.

#### EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

#### COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. MANSFIELD, and by unanimous consent, all Senate committees were authorized to meet during the session of the Senate today.

#### THE CALENDAR

On request of Mr. MANSFIELD, and by unanimous consent, the following calendar measures were considered and acted upon as indicated, and excerpts from the reports thereon were ordered to be printed in the RECORD, as follows:

#### SOOK JA KIM, AI JA KIM, AND MIN JA KIM

The bill (S. 2126) for the relief of Sook Ja Kim, Ai Ja Kim, and Min Ja Kim was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sook Ja Kim, Ai Ja Kim, and Min Ja Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 20, 1959.*

#### EXCERPT FROM THE COMMITTEE REPORT (No. 759)

##### PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiaries to file petitions for naturalization.

#### TONY BOONE

The bill (H.R. 2358) for the relief of Tony Boone was considered, ordered to a third reading, read the third time, and passed.

#### EXCERPT FROM THE COMMITTEE REPORT (No. 761)

##### PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of an alien child adopted by citizens of the United States. The bill also waives the limitation of two orphan petitions.

#### KSENIJA POPOVIC

The bill (H.R. 2772) for the relief of Ksenija Popovic was considered, ordered to a third reading, read the third time, and passed.

#### EXCERPT FROM THE COMMITTEE REPORT (No. 762)

##### PURPOSE OF THE BILL

The purpose of the bill is to facilitate the entry into the United States in a nonquota status of an alien child adopted by a citizen of the United States.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

Mr. PASTORE. Mr. President, I yield 10 minutes on the bill to the senior Senator from New York [Mr. JAVITS].

#### CONFUSION OVER UNITED STATES LATIN AMERICAN POLICY MUST BE ENDED

Mr. JAVITS. Mr. President, I shall speak today about the debate that has been going on with respect to the actions of the United States in the Dominican Republic last April. In view of my long-standing concern with the problems of Latin America, I feel it is very important to make these comments today, since the debate on the subject is unfortunately creating confusion about what our policy toward Latin America really is.

The main point, I believe, that has failed to emerge clearly from this discussion is that U.S. policy with respect to Latin America has not been changed by the action taken in the Dominican Republic, but remains the policy of the good neighbor, the policy of the good partner, the policy of the Alliance for Progress.

I suggest there are two ways in which this point needs to be made and emphasized. It is especially essential—and this I have from personal knowledge and contacts—to reassure our millions of friends in Latin America.

First, I believe that we should act now in the Senate on Senate Concurrent Resolution 56, which I introduced with Senator CARLSON on September 2.

Second, I believe that we should now sponsor certain reforms in the inter-American system which the Dominican incident and the ensuing debate indicate to be desirable.

First, as to the resolution which I sponsored with Senator CARLSON, this resolution would reaffirm the faith of Congress in the Alliance for Progress as the framework for nonviolent, but accelerated, social and economic development of Latin America; would seek to improve the authority and capability of the inter-American system to deal with Communist or ultra-rightist subversion or efforts to take over democratic governments; and would encourage and support common efforts to strengthen constitutional, dem-

ocratic, and progressive government in the Americas.

I point out that this resolution now becomes supremely important because on Monday last, the House of Representatives passed a resolution which, in effect, is being construed throughout Latin America as supporting unilateral action by any nation of the hemisphere to combat Communist subversion within the territory of another nation. Right or wrong, that is what Latin America is thinking and saying about it.

The State Department has already rebutted the proposition, but, nonetheless, the resolution of the other body remains on the books and gives an added impetus to the action required here in the Senate to counter that impression. The resolution which I have suggested, which has already been introduced, is a very suitable framework for consideration by the Committee on Foreign Relations to that effect.

Now, as to reforms of the inter-American system, I suggest the following:

First. The representatives to the Council of the Organization of American States in Washington should be vested with authority equal to that held by ambassadors to the United Nations. This would allow the representatives to the Council to act with greater authority and dispatch without being forced into inaction while they seek instructions from their respective capitals.

Second. Improved procedures for the prompt OAS handling of emergencies should be established.

Third. And this is very important, Mr. President—that a representative of the Organization of American States should be posted as an observer in each of the capitals of the American States.

There are only 19 other capitals. It makes sense to have an OAS observer in each, so that an immediate report as to any revolutionary or subversive situation may be obtained from an OAS representative who is there all the time and is acquainted with the local situation.

Fourth. Serious efforts should be made to bring Canada into the Inter-American system, to give completeness to hemispheric action and to provide an added measure of confidence in the system. I think Canada can be of great assistance to the hemisphere as a bridge between the United States, a great country called "the colossus of the North," and the Latin American countries, and would be a very fine addition to the totality of the inter-American system.

Now a word about the debate which was led off by the Senator from Arkansas [Mr. FULBRIGHT], in his now famous and highly controversial discussion of our actions in Santo Domingo. He said much with which I feel I and many of my colleagues can agree about the desire of the United States to aid in bringing about much needed social, economic, and political change in Latin America; but he questioned whether our action in Santo Domingo did not indicate a change in our policy toward Latin America.

I feel that in view of the debate concerning Senator FULBRIGHT's speech, and in view of the resolution to which I have already referred adopted in the House



last Monday, it is particularly necessary for Congress to clear up the confusion as to our policy that these developments have undoubtedly caused in Latin America. We must remember that the confusion was created by what took place in Congress, not in the executive department, and therefore it is something we should contribute to clearing up promptly.

Senator FULBRIGHT's central thesis in discussing the Santo Domingo action is that "the administration acted on the premise that the revolution was controlled by Communists—a premise which it failed to establish at the time and has not established since."

Therefore, he continues—

Since just about every revolutionary movement is likely to attract Communist support, at least in the beginning, the approach followed in the Dominican Republic, if consistently pursued, must inevitably make us the enemy of all revolutions and therefore the ally of all the unpopular and corrupt oligarchies of the hemisphere.

From that he concludes:

Another theme that emerges from the Dominican crisis is the occurrence of a striking change in U.S. policy toward the Dominican Republic and the possibility—not a certainty, because the signs are ambiguous, but only the possibility—of a major change as well in the general Latin American policies of the United States.

The Senator from Arkansas [Mr. FULBRIGHT] believes that our policy toward Latin America should continue to be based on support for the principles and goals of the Alliance for Progress, on advancement of the cause of popular democracy, and on the viewing of reform movements—even reform revolutions if democratically based and directed—as in basic accord with the interests of the United States. However, the Senator asserts that our handling of the Dominican crisis called forth hoary historical ghosts of U.S. intervention, lent credence to the idea that the United States is the enemy of social revolution in Latin America, and created serious suspicions that our policy has changed.

I do agree with the Senator from Arkansas that our true friends in Latin America must not be left in doubt that our policy remains unchanged and that their social revolutions will have our sympathy and support. We are a Nation created by revolution, we can understand revolution, and we have no desire to suppress the determination of any people to improve their lot in life. But I am greatly concerned that questioning the steadfastness of our Alliance for Progress policy as a result of the Dominican situation may serve only to reinforce such doubts as may exist and give rise to new ones. That is why I speak today.

I would consider it a great mistake to shake the confidence of the people of Latin America in the desire of the United States to adhere to this basic policy and to work for the security of the hemisphere through collective responsibility and multilateral action by the organs of the inter-American system.

In this connection, the House of Representatives resolution passed Monday strikes me as particularly unfortunate. Indeed, if our policy were as stated in that resolution, the concerns of the Senator from Arkansas would have been borne out. But the State Department has denied that the House resolution represents U.S. policy.

Mr. President, how much time have I remaining?

The ACTING PRESIDENT pro tempore. Two minutes remain to the Senator from New York.

Mr. JAVITS. I thank the Chair.

Mr. President, the Senator from Arkansas, in his detailed discussion of the Dominican crisis, neglected to offer his suggestions on how the nations of the Americas should deal in the future with situations in which the Communist takeover of a Latin American Republic through aggression or subversion appears likely or imminent, while the House resolution supports an almost unlimited range of action, including unilateral action, which is not and should not be in accord with our Latin American policy.

As I made clear when the Senator from Kansas [Mr. CARLSON] and I introduced our resolution, I feel that collective action is the only wise and reasonable way to handle situations of this kind. The House of Representatives resolution supports essentially unilateral action. The resolution of the Senator from Kansas and myself, and the suggestions which I have made, are directed toward multilateral action. I believe that we should definitely go on record to that effect.

The applicable treaties of the inter-American system contain prohibitions against intervention in the internal affairs of the member states. Article 15 of the OAS Charter provides:

No state or group of states has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other state.

Article 17 of the charter provides further:

The territory of a state is inviolable; it may not be the object, even temporarily, of military occupation or of other measures of force taken by another state, directly or indirectly, on any grounds whatever.

But the Rio Treaty also contains provisions applicable to such situations. Article 6 of that treaty states:

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American state should be affected by an aggression which is not an armed attack or by an extracontinental or intracontinental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the continent.

These provisions are broad enough to be applied to any situation in which it is collectively determined that the peace of the hemisphere might be endangered.

With the OAS legitimization of the Dominican intervention, by a 14-to-5

vote of the meeting of consultation of the OAS foreign ministers on May 6, the inter-American system rose to the test and met it. That system is sound, but it needs to be strengthened and given the means with which to act promptly and effectively in emergency situations.

Certainly there is room for dispute as to whether or not the U.S. assessment of the likelihood of Communist takeover of the Dominican revolution was justified. The Senator from Arkansas invokes the alleged failure of the United States to evaluate properly the possibility that the Communists supported, but were not likely to take over, the revolution. The Senator from Connecticut [Mr. DODD] points to the findings of the five Ambassadors of the other American Republics appointed by the OAS as a special committee to investigate the Dominican situation and other evidence to prove the contrary.

The ACTING PRESIDENT pro tempore. The time of the Senator from New York has expired.

Mr. PASTORE. Mr. President, I yield 1 more minute to the Senator from New York.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 1 additional minute.

Mr. JAVITS. Mr. President, but this dispute may never be satisfactorily settled. What actually happened in April 1965 is a matter for history. Our real concern now must be our policy in the days and years ahead, and we cannot ourselves contribute to eroding confidence in our policy.

For that reason, I urge action on the resolution introduced by the Senator from Kansas and myself to assure the people of the Americas that our policies have not changed and that we continue to support their quest for social and economic advancement under free institutions.

It is for that reason that I have urged the State Department to get behind needed reforms in the inter-American system. If we act in the Senate on the resolution of the Senator from Kansas [Mr. CARLSON] and myself—which is a concurrent resolution—it will allow action by the other body, should the other body choose to act, thereby dealing with a rather disagreeable situation created by the resolution of the other body, which the State Department almost immediately denied represents U.S. policy.

What the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Connecticut [Mr. DODD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Georgia [Mr. RUSSELL], and other distinguished Senators have done is to put us on the road to a challenge to make clear to the Americas that our policy is constant. Today, I have suggested a means by which we may effectively accept that challenge and put it to good use in the interests of peace, freedom, and the development of the Americas.

Mr. President, I am grateful to the Senator from Rhode Island for yielding to me.

# FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. PASTORE. Mr. President, I yield 5 minutes on the bill to the Senator from Missouri [Mr. LONG].

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized for 5 minutes.

Mr. LONG of Missouri. Mr. President, during the past 20 years, the United States has made progress in the task of combating the grim conditions in which communism thrives—poverty, hunger, disease, and economic stagnation.

Our dollars have been encouraging economic development in countries which 20 years ago were called hopeless and "destined forever to underdevelopment."

Today, the fires of freedom are burning. Through our assistance program, millions of people have been given an alternative to communism, an alternative to hopelessness and despair.

Children who might have died in infancy are today alive and in school because the United States sent dollars, doctors, and nurses to start village health programs.

Mr. President, the aid program we are considering today concentrates our economic aid in the few countries where it will do the most good. Around 72 percent of our military aid is going to 11 countries which face the day-to-day pressure of communism. These 11 countries border on the Communist bloc. Nearly 80 percent of our economic aid is going to only 11 countries which have the ability and the desire to lick their most pressing problems.

Two-thirds of our development loans are going to countries which are using substantial amounts of their own money and resources. For every American dollar the major U.S. aid countries allocate an average of \$6 from their own resources.

The appropriations which we are considering today will be largely spent in the purchase of American goods. Over 85 percent is tagged specifically "to be spent only in the United States."

Four years ago, just 40 percent of our aid dollars was used to buy U.S. products. In 1960, only 26 million U.S. aid dollars were spent buying American farm and industrial machines. Last year however, 170 million U.S. aid dollars were spent for U.S. machines. Last year, five times as many U.S. aid dollars were spent on American chemicals than were spent in 1960. Four times as many U.S. aid dollars were spent on American fertilizer than were spent in 1960.

Much of this aid money, therefore, helps to build U.S. export trade. Aid program purchases in the United States build trade ties for the future. Take for example the results of our postwar aid to Japan and Germany. These two countries, once devastated and impoverished, are today among our biggest trading

partners and, may I add, these countries are more and more taking on themselves the burden of assisting less-developed peoples.

We have made great strides in getting other strong free world countries to build their aid programs. Today over one-third of all free world aid comes from our allies. Each year they increase their share.

The great question before the Senate today is this: Are we going to keep fighting communism with American dollars and American know-how? The answer we give is basic to the future of the free world. If we do not fight communism with American dollars and exports today, we may miss an opportunity to prevent Communist aggression, we may miss an opportunity to prevent another Vietnam tomorrow.

I believe, if we do not fight communism with American dollars, that we may have to fight communism with more and more American boys. I much prefer to spend an American dollar instead of the life of an American boy.

Let us continue the aid program begun by President Harry Truman. Just as Harry Truman's Marshall plan aid turned back the tide of communism in Turkey and Greece, so today we must turn back the Communist tide in other countries.

Mr. President, I support the foreign assistance appropriation bill of 1966 because it will provide a vital tool for the cause of peace, freedom, and prosperity around the world.

## THE MOST IMPORTANT WAR

Mr. MCGOVERN. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. Mr. President, I yield 15 minutes to the Senator from South Dakota, to be taken out of the time of the opposition. I have received permission to this effect from the minority leader, the Senator from Illinois [Mr. DIRKSEN].

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized for 15 minutes.

Mr. MCGOVERN. Mr. President, the most challenging crisis for the rest of this century will be the accelerating race between food and people. We are faced with the specter of widespread hunger and starvation on a scale the world has never before known unless we begin today to plan for tomorrow's food needs. The nations of the earth must do more than they are now doing to meet future food demands or major starvation will be the most painful fact of life on this planet within 10 years.

Even today, human hunger is a much more serious problem than is generally realized. Half a billion people suffer from inadequate quantities of food. Another billion subsist on improperly balanced diets, most notably a shortage of protein foods. Three million children die each year from diseases induced by malnutrition. Countless human beings go through life permanently crippled physically, mentally, and emotionally because of inadequate protein, vitamins, and minerals in their formative years.

The ever present companions of malnutrition—lethargy, disease, and premature death—breed a vicious circle of listless human beings powerless to break out of their misery and yet capable of breeding more misery for their children and for generations yet unborn.

During 1961 and 1962, when I was privileged to serve as food-for-peace director for the late President Kennedy, I developed a growing conviction that the most overwhelming paradox of our time is to permit half the human race to be hungry while we struggle to cut back on surplus production and overeating. Science has broken the space barrier, but not the bonds of hunger. Today's hunger, however, is only a mild indication of the enormous food gap that looms on the horizon.

Writing in 1789, Dr. Thomas Malthus, of England, observed that man's capacity to reproduce his kind was so much greater than his capacity to produce food that population would soon exceed available food supplies. Starvation would then be man's lot unless his numbers were kept down by war, pestilence, or other drastic developments.

I think I may fairly make two postulates—

Wrote Malthus.

First, that food is necessary to the existence of man. Secondly, that the passion between the sexes is necessary, and will remain nearly in its present state.

As for the hope expressed by his contemporary, Mr. Goodwin, that "the passion between the sexes may in time be extinguished," Malthus observed:

Toward the extinction of the passion between the sexes, no progress whatsoever has hitherto been made. It appears to exist in as much force at present as it did 2,000 or 4,000 years ago.

Assuming then, my postulates as granted, I say—

Continued Malthus—

that the power of population is indefinitely greater than the power in the earth to produce subsistence for man.

Population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio. A slight acquaintance with numbers will show the immensity of the first power in comparison of the second.

Although it has been intellectually respectable to scoff at the predictions of Malthus in view of the unforeseen increases in food production during the past 150 years, his warnings may yet prove to be valid. Certainly, one cannot look at the projection of current food production and population growth without a sense of genuine alarm for the future. Multitudes of people are now on a collision course with starvation.

What are the facts behind this disturbing prospect?

Fact No. 1: The population of the world is now accelerating at a faster rate than is food production. It has taken the entire history of the human race from the Garden of Eden to the year 1960 to reach a global population of 3 billion people. But the most careful projection indicates that by the end of this century—35 years hence—the population of the globe will be double its present size, or 6 billion. What required



thousands of years to achieve will be duplicated in 35 years.

These figures testify to the marvels of modern medicine, sanitation, and scientific achievement in extending human life. But they also present an arresting outlook because they are not accompanied by a proportionate increase in food production. Because food production is now lagging behind a burgeoning world population, there are more hungry people in the world today than any previous time in recorded history.

Fact No. 2: The prospects for substantial increases in food production in the areas of greatest need, most notably Asia and Latin America, are not encouraging. In three regions of the world—first, the United States and Canada; second, Western Europe; and, third, Australia-New Zealand, plus parts of Argentina and southeast Asia—there are adequate food supplies. These regions have utilized modern technology, an educated rural population, concerned government, economic incentives and fertilizer, pesticides, hybrid seed and other innovations to increase the productivity of the land faster than their population growth.

But the combined population of these food surplus regions includes only one-fifth of the world's people. The other four-fifths live in Asia, Latin America, Africa, and the Middle East. These areas are increasing their populations faster than either the supply of arable land or the productivity of their presently cultivated acreage. There is today only 0.4 of an acre of cropland per person in Asia, as compared to 1.2 acres per person in the United States and Canada—a ratio three times more favorable for North America than for Asia.

This imbalance between people and arable land is greatly complicated by two other factors. First, underdeveloped regions, such as Asia—with the exception of Japan—have not significantly increased the productivity of their cultivated acreage. Primitive farming methods, improper irrigation techniques, the lack of an educated rural population, inadequate credit and land ownership structures, ineffective political leadership, the absence of rural extension services, a shortage of capital, the lack of farm-to-market roads or a cash market for produce, and the generally low priority which many countries have attached to rural development—all of these deficiencies have held agriculture in a primitive state characterized by static productivity in most parts of the world. Secondly, population growth rates are the greatest in the regions that have the least favorable food productivity. In the 1930's Latin America exported more grain than any other region of the world, including North America. Today, three decades later, Latin America imports much more grain than it exports. Its per capita production of grain is down 16 percent from the 1930's level. Yet, before another three decades have passed, the exploding population of Latin America will increase two and a half times. By the year 2000, nearly 600 million Latin Americans will compete for the resources that now inadequately feed 250 million. Much the same situation prevails in Asia.

Given the combination of inadequate arable land, low agricultural productivity, and swift population growth of the underdeveloped areas, the prospect for adequate diets is not encouraging. Consider the problem of India. This nation of 450 million inhabitants is now subsisting on a nearly static local production supplemented by 3 or 4 million tons a year in food-for-peace shipments from the United States. Yet, within the next 15 years India's population will increase by an amount equal to the present population of the United States. Six hundred and thirty-seven million Indians will be claiming in 1980 the strained resources that now inadequately feed 450 million. Highlighting recent findings of U.S. Department of Agriculture expert, Dr. Lester Brown, the editors of U.S. News & World Report write:

In Asia, merely to maintain present meager diets, yields per acre must increase by more than 50 percent between now and 1980. An increase of this magnitude amounts to more than 240 million tons of grain. It would require application of 24 million tons of fertilizer a year to get such yields. In the entire world today, total production of fertilizer is only 28.6 million tons a year.

Fact No. 3: Food reserves in the United States and other food surplus countries are not as large as commonly believed. Even if the United States could find some quick and effective method of utilizing our food surpluses abroad, they would be quickly swallowed in the deepening sea of human need around the globe. So much public attention has been focused on the problem of U.S. farm surpluses that few people are aware that the surpluses are all but gone. Government acreage controls, cropland retirement, increased exports including an expanded Food for Peace effort have worked down surplus stocks in recent years to a level little above that needed for our own national reserves. Dried milk, a high protein food essential to school lunch and other child feeding programs, is in such short supply that our food-for-peace officials have curtailed the programs abroad of voluntary agencies, such as CARE, Church World Service, Catholic Relief Services, and Lutheran World Relief.

Wheat stocks, which constitute the main body of the U.S. food-for-peace program, have been worked down from 1.4 billion bushels in 1960 to 800 million bushels today. Corn and other feed grain supplies have been sharply reduced. Indeed, the composite wheat and feed grain reserve of the United States would scarcely meet our own consumption needs for 6 months if a catastrophe should wipe out our crops in a single growing year.

Recently, President Johnson suggested that the Congress consider setting aside a national strategic food reserve. If we were to carry out this suggestion and establish food reserves sufficient for 6 months consumption, we would have to end our food-for-peace program immediately or launch much greater production.

If we were to distribute our present food stocks evenly to the needy multitudes of the world, they would be exhausted in a few weeks time. We have

been shipping approximately 3 million tons of wheat each year to India which is a sizable flow, but one must remember that India consumes 80 million tons of grain yearly and she will need twice that amount in another three decades. Even if we could supply the entire world with food—which we cannot—there would be difficulties to overcome including the necessity of protecting the farm markets of the local producers and the markets of other exporters. Furthermore, in underdeveloped countries we are confronted with limited port facilities, inadequate storage, a lack of roads and other problems of distribution. It is not an easy task to distribute food effectively even when a well-meaning Government wants to give it away.

In spite of the magnitude of the problem, however, there is no escaping the challenge of world hunger. Neither our national security nor our moral and political position in the world will permit us to turn our backs on this No. 1 problem of the last third of the 20th century. Furthermore, in spite of difficulties, a nation that can send a man to the moon can unlock the doors to food production and distribution.

Eighty percent of the people of the globe live in rural areas. The majority of them are still scratching a subsistence from the soil with methods little changed in thousands of years. These are the multitudes that provided the seedbed for the sweeping Communist revolutions that seized Russia and China after the First World War. Marx thought that communism would come as the logical next step after the advanced stages of capitalism. Instead, it came to the primitive peasant societies of China and Russia while largely losing its appeal to the industrialized urban areas of the Western World.

Guided by these historical developments rather than by Marxist ideology, the ambitious leaders of China are now calling—not for the industrial workers of the world to unite, but for a long-term struggle of rural people against the urbanized Western World. It is significant that the French were driven out of Indochina—not because they lost the cities, but because they lost their support in the countryside. The same situation has plagued U.S. efforts to stabilize South Vietnam for the past decade. Likewise, Castro came to power through the hills and back country of Cuba even while the Batista government held a seemingly firm grip on the urban centers.

The great contest of our time now turns on whether we or the Communists can develop the most acceptance and effective pattern for meeting the hunger and misery of the uncommitted rural world. I firmly believe that we have the capacity to win that contest and in the process to improve our relations even with those peoples who have fallen under the sway of communism in Russia, China and elsewhere.

I believe that we ought to declare an all-out war against hunger for the balance of this century. We should call on our farmers and our agricultural technicians to enlist for the duration in the

war against want. We should announce to the world now that we have an unused food producing capacity which we are willing and anxious to use to its fullest potential. Our Government should leave no doubt that we will bend every effort to see that no nation—friend or foe—starves while we permit land and surpluses to remain idle.

Communist China has called for a people's war in Asia, Africa, and Latin America to win the world over to communism. But Red China has failed on the agricultural front and the situation has been worsened by drought and other natural hazards. She cannot win a people's war against the developed world if we will place the welfare of people above short-term goals of military maneuvering and cold war strategy. So let us take the lead in a people's war with corn instead of cannon, with farmers instead of marines, with agricultural technology instead of battle plans, with food instead of fear.

The attack on world hunger must move on two fronts. First is the short-term effort over the next 10 or 15 years to make more effective use and distribution of our farm abundance abroad. This will require not only stepping up our production at home, which is the easy part of the task; it will require more technical guidance to the receiving countries in building up their port unloading and handling facilities, their storage structures, and the entire system of food distribution. I believe that we can profitably double our existing food-for-peace program within less than 10 years if we will preface this buildup with improved distribution facilities abroad.

It must be recognized that deliberately producing farm commodities for use overseas represents a departure in past policy. Present food-for-peace efforts are based largely on the distribution of surpluses that have accumulated in spite of farm program efforts to prevent them. It must also be recognized that in most cases it is preferable if not essential for the developing countries to supply most of their own food needs. But the fact remains that for the foreseeable future, the people of Asia, Latin America, and elsewhere cannot increase their production fast enough to meet their needs without food shipments from the United States and other surplus food areas. I cannot believe that the American people would want to leave good cropland idle at public expense while they watched hunger spread across the world.

The second and more fundamental front in the war against hunger is the urgent need for a rapid acceleration of food production abroad. We and other advanced states must assist the developing world to undertake the kind of agricultural revolution which we have experienced in the last 100 years. There is an urgent need for the knowledge and skills of our agricultural technicians, research scientists, extension workers, and experienced farmers. An American Farmers Corps consisting of retired farmers or working farmers willing to take leave of their own farms for a time could perform an invaluable service abroad. There is great need, too, for

more fertilizer, pesticides, irrigation development, hybrid seed, and feed-mixing equipment. Enlightened landownership and tax policies and low-cost credit are essential to rural development. So is an improved system of rural education.

This type of aid is not cheap nor is it easy to implement. But food and agricultural assistance are less costly than military hardware and they are much more constructive and helpful to the peoples we assist. As one watches our two impoverished friends, India and Pakistan, shooting at each other with American arms, it is difficult to avoid the conclusion that both countries need our food and our farm know-how more than they need our guns.

Much of the tension and unrest that opens the way for Communist inroads and violent upheavals have roots in hunger and misery. Food abundance, on the other hand, is a powerful instrument capable of replacing despair with hope and converting the seeds of violence into the foundations of peace.

Aside from the political and moral gains that would come from a broad-scale attack on world hunger, the economic benefits to the American economy would be great. We are now spending over \$2 billion a year to reimburse farmers for retiring cropland and reducing production. By strenuous, expensive programs we have managed to take 50 million acres of farmland out of production. If we began now to divert a portion of the farm control budget into the purchase, shipment, and distribution of farm commodities abroad, we could double our food-for-peace effort with little increase in overall expenditures. The impact on the American economy would be much better than our present cropland retirement programs. Idle farms and idle acres and idle farm labor mean a loss of income to every farm community. On the other hand, full farm production leads to the purchase of more farm machinery, more gasoline and tires, more trucks and automobiles, more seed, fertilizer, lime, and equipment of all kinds. Thirty million tons of additional business for the merchant shipping industry would be generated by a doubled food-for-peace program.

I have supported acreage controls combined with price supports because such programs are essential until we develop greatly improved distribution methods to utilize our abundance abroad. It will doubtless continue to be necessary to have a farm price stabilization program, given the unorganized pattern of American farm producers. But large-scale cropland retirement is not a viable permanent farm policy for the United States in a hungry world.

Furthermore, the strengthening of the diets and the agricultural economy of the developing countries—far from removing them as potential American markets—would open the way for new U.S. long-range markets. Those nations with advancing agricultural and industrial productivity are also our best commercial customers. Canada with a tiny fraction of the population of India is a larger American customer than India. After assisting postwar Japan develop its

agricultural and industrial economy, we discovered that she has become the largest purchaser of American farm produce.

To accomplish the objectives of a 10-year war against want, I introduced on June 17 the International Food and Nutrition Act. That measure would authorize the expenditure of half a billion dollars the first year to first, purchase needed nutritious foods in U.S. markets for use overseas; second, increase the capacity of the developing countries to receive and distribute such food aid efficiently; and third, strengthen the food producing capacity of farm people in the developing world. The bill would authorize a half billion dollars increase for these purposes each year for 7 years to a maximum of \$3½ billion.

The bill would authorize the President to create an International Food and Nutrition Office, perhaps an expanded role of the existing food-for-peace office, to administer the proposed program. Also, the legislation authorizes an expanding role for the United States in the United Nations Food and Agriculture Organization Freedom from Hunger Campaign and its related experimental world food program. As director of food for peace and U.S. delegate to the Food and Agriculture Conference in Rome in April 1961, I was permitted to make the initial U.S. offer which led to the establishment of the \$100 million, 3-year world food program. The cooperating nations are hoping to continue and expand this multilateral food assistance program when it is reviewed later this year. Certainly, it is to our advantage and to those we seek to assist, to coordinate our food aid within the family of nations and with full respect for the interests of other concerned countries.

The respected editor of the conservative *Farm Journal* put the case cogently for using more fully our agricultural abundance to feed the hungry when he wrote recently:

There will doubtless be times when we will wonder whether anybody could help such people, or should try. But we'll have to try, and keep trying. We're spending decades—and \$20 billion—to put a man on the moon. It seems at least as important to help the human race eat.

Then, Editor Carroll P. Streeter added:

With half the world hungry now, and sure to be a lot hungrier before long, we haven't a moment to lose. We must comprehend this frightening prospect and think about what we will do, both with regard to our farm plant and our program of helping the hungry world.—(October 1965 *Farm Journal*).

In a brilliant new book, "The United Nations at Work," a noted authority on development problems, Joseph M. Jones, described the worldwide effort to drive hunger from the face of the planet as "the most hopeful enterprise of our time." To enlist in that enterprise is to enlist on the side of health and hope and life for mankind. It is indeed, the most hopeful enterprise and the most important war of our time.

Mr. President, I ask unanimous consent to have printed in the *Record* certain supporting material.



There being no objection, the supporting material was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, Jan. 6, 1964]

#### WHY HUNGER IS TO BE THE WORLD'S No. 1 PROBLEM

What is a greater threat than nuclear war? Famine, says the U.S. Department of Agriculture.

For the first time, a careful study of world food supplies has been matched against the facts of expanding world population. The conclusion: In most of the world, creeping hunger looms.

Disturbing trends show up, the study finds in latest reports on grain output, land use, imports.

Hunger is to emerge as the No. 1 problem for the world in the years immediately ahead.

In the foreseeable future, famine looms as a prospect that can become more serious than the threat of nuclear war.

Unless a way soon is found to control the problem of worldwide population explosion, starvation will take over as a partial solution to that problem.

These are hard conclusions drawn from an official study just completed by the U.S. Department of Agriculture.

In the Agriculture Department's study—for the first time—facts of population growth are set down alongside the prospects for increasing the world's supply of food.

Findings of the study are described as startling by experts who make it their business to chart population growth. These findings confirm what has been a growing worry for leaders of the world: Food production, barring some development not now in sight, can no longer match the proliferation of the world's people.

This new analysis is entitled "Man, Land, and Food: Looking Ahead at World Food Needs." The author is Lester R. Brown, an economist in the Agriculture Department's Economic Research Service.

Of the population increases now in sight, the author says: "Man has scarcely begun to assess their long-term impact."

Findings in Mr. Brown's study are of importance to Government officials, politicians, and businessmen in America and around the world.

Land for food production—the third factor in Mr. Brown's study—is found to be in short supply when related to future need. Land not now under cultivation is, for the most part, rated marginal in terms of usefulness in production of food.

#### RUSSIA'S PROBLEM

Seriousness of the Russian farm problem that is forcing Khrushchev to divert money from guns to butter is clearly outlined in the study.

But Russia, compared to Communist China, is shown to be well fed. Mr. Brown's analysis reveals the Red Chinese on the brink of a food problem apparently without solution.

In only three regions of the world is assurance seen of adequate food for the future. These regions are North America, Western Europe, and Australia-New Zealand. Combined, the three areas hold only one-fifth of the world's people.

Thus, for four-fifths of the world's people, food outlook for the future is seen to be bleak at best.

The prospect of expanding export markets for farmers of the United States, Canada, and Australia is stressed in the study. But projections show that grain surpluses in these countries will be hardly more than crumbs when related to future needs of the world as a whole.

#### WHAT WORLD'S FARMS NEED

Also stressed is a worldwide need for more fertilizer, more farm machinery, improved

seeds, increased quantities of chemical pesticides.

If capital were available to finance the best farm technology on all the cropland of the world, the author believes it possible to sustain present population growth for a time—possibly to the end of this century.

As shown in the chart on page 30, population growth of the world is picking up speed. Increases in this century are shown by 20-year periods.

In 1900, one and a half billion people were living on earth. Between 1900 and 1920, additions were 261 million. In the next 20 years, 400 million were added. In 1940-60, population grew by 701 million. That increase will be almost doubled in the present 20-year period, 1960 to 1980, by a projected growth of 1,306,000,000.

By the end of the century—the year 2000—the world's population will have reached an estimated 6.2 billion, more than double the 2.9 billion in 1960.

In Mr. Brown's view, the world cannot cope with a continued population growth of such proportions. He says in the study: "The old equilibrium [between births and deaths] has been destroyed but a new equilibrium has not yet been developed. That the current disequilibrium cannot continue indefinitely is certain. Until a new balance is created, however, man must seek to accelerate the supply of food to match the increase in numbers."

Long before the turn of the century, the study finds, the food problem is to reach serious proportions in many parts of the world. Some specific examples cited by the author of the study:

India today has close to 450 million people. In 15 years, that population will increase by 187 million. Thus a country in which the average diet is now deficient has only a few years to find a way to feed an added population equal to that of the entire United States.

In Asia, merely to maintain present meager diets, yields per acre must increase by more than 50 percent between now and 1980. An increase of this magnitude amounts to more than 240 million tons of grain. It would require application of 24 million tons of fertilizer a year to get such yields. In the entire world today, total production of fertilizer is only 28.6 million tons a year.

The population of Communist China is estimated to be increasing at the rate of 2 percent or more per year. At this rate, Red China is adding 12 to 15 million people annually. That number is approximately equivalent to Australia's total population.

In the relatively short span since World War II, Latin America has been forced to stop exporting and to begin importing grain. Even so, the average Latin American today is poorly nourished. And, by 1980, population in Latin America will be 75 percent larger than in 1960. By the year 2000, Latin America will hold nearly three times as many people as in 1960.

Population projections used in the study by Mr. Brown are those developed by U.N. experts in 1958. The medium range of projections, between the high and low estimates, was used.

In Mr. Brown's study, the world is divided into seven major regions, and growth is projected for each.

North America, Latin America, Africa, and Western Europe each form a region. A fifth region is made up of Eastern European countries and all of Russia. A sixth region is designated Asia, but excludes Russian Asia and includes countries of the Middle East. The seventh region comprises Australia and New Zealand.

#### IMPORTANCE OF GRAIN

To measure the ability of each region to feed itself, Mr. Brown used grain production. He points out that, around the world, grains provide more than half the energy in the

average diet. And most of the remaining energy in the average diet is provided indirectly by grain fed to livestock used for meat and to produce dairy products.

Khrushchev's empire—Russia and the countries of Eastern Europe—is characterized as "once the breadbasket of all Europe."

The study says: "The Soviet Union and countries of Eastern Europe . . . maintained a sizable net regional surplus (of grain) until as recently as 1934-38. Since World War II, this enviable position has been lost and the Soviet bloc, in spite of its vast land resources, became a grain-deficit area in the late 1950's."

Western Europe is shown by the study to have its food situation well in hand for the future. Population growth is termed "modest," and capital is seen available to finance increased yields per acre and necessary imports.

The have-not nations of the world are found in three regions—Asia, Africa, and Latin America. There are some 50 of these less-developed countries.

Of the have-not nations, the author says: "Population has simply outraced food production, and the number of people suffering from malnutrition has actually gone up since the early 1900's."

#### THE EXPORTERS

The two countries of North America—United States and Canada—are found to be the only major breadbaskets remaining in the world today. Australia produces, and will continue to produce, surplus grain for export. Australia, however, is not seen as a big exporter of grain because it has such a small share of the world's cropland.

There has been sharp change in the grain-export situation in the period since World War II. Before World War II, Latin America was the world's largest exporter of grain.

Before World War II, combined grain exports of United States and Canada averaged 5 million tons a year and made up only 22 percent of the world's total grain trade.

Now, latest available figures show that United States and Canada export 39 million tons of grain a year. That amounts to 86 percent of the world's total grain exports.

Today, Agriculture Secretary Orville L. Freeman has pointed out, it is the grain that comes from the breadbaskets of North America that is the only barrier to starvation in large parts of the world.

Surplus Canadian grain has staved off famine in Communist China for 3 years. This year, Canadian grain is helping Khrushchev meet a food crisis in his empire.

Surplus U.S. grain is easing hunger in India, Pakistan, South Korea, and many nations of the Middle East, Africa, and Latin America.

Tomorrow, projections of the Brown study show, there will be even bigger grain surpluses available from the United States and Canada. The study adds this: "Present trends indicate net exports of 58 million tons in 1980 and 94 million tons by 2000."

But even if a way can be found to finance the export of grain from the United States and Canada to the have-not nations, the supplies that are available for export will represent only a fraction of needs.

Asia alone is now consuming close to 400 million tons of grain a year. And the population of Asia, if projections are borne out, will increase about 2½ times by the year 2000.

#### OUTLOOK: MORE HUNGER

Thus, the forecast for the near future is for more hunger in the world. This comes at a time when many of the world's leaders are saying that a way must be found to upgrade diets in have-not nations, if hungry people are to be kept from exploding into open revolt.

In an analysis of his study, Mr. Brown asks: "What will it take to raise the per

capita food supply of the less-developed world \* \* \* 20 percent by the year 2000?"

The answer, in Mr. Brown's view, is that the less-developed world would have to: (1) add to present food output an amount approximating the current food production of the entire world, (2) achieve, with limited resources, an annual rate of increase in food output considerably higher than that ever attained by the affluent societies of North America and the rest of the industrialized West.

"Moreover," says Mr. Brown, "the less developed world will have to accomplish all this in less time than man has spent developing a single variety of high-yield grain—hybrid corn."

If forecasts of this new analysis of the world's food problem hold true, Thomas Malthus may, after all, have the last word. Malthus was an English clergyman who, around 1800, foresaw a world in which starvation would be widespread because population would outstrip food supply.

#### WHERE PEOPLE ARE MOST PLENTIFUL, FOOD OUTPUT IS LAGGING

In Latin America and Asia, except U.S.S.R., where nearly two-thirds of the world's people live and population is rising fastest, the output of grain per person—a basic indicator of food supply—has been declining in recent decades.

Output of grain per person, mid-thirties<sup>1</sup> to 1961: Asia, down 2 percent; Latin America, down 16 percent.

In Africa and Eastern Europe, with all of Soviet Russia, where about one-fourth of the world's people live, the output of grain per person has inched up, but it started from a low level.

Output of grain per person, mid-thirties<sup>1</sup> to 1961: Eastern Europe and Russia, up 5 percent; Africa, up 8 percent.

Only in North America, Western Europe, and Australia-New Zealand, where less than one-fifth of the world's people live, has grain output per person really jumped in recent years.

Output of grain per person, mid-thirties<sup>1</sup> to 1961: Australia-New Zealand, up 51 percent; North America, up 44 percent; Western Europe, up 19 percent.

[From the Philadelphia (Pa.) Farm Journal, October 1965]

#### CRISIS AHEAD AND WE CAN'T DUCK

(By Carroll P. Streeter, editor)

The most urgent question of our time is one we haven't waked up to: how to keep half the world not just from being hungry but from the threat of actual starvation. It's a new danger, far greater and more imminent than we've heard about.

It's urgent not just for the people who may perish, but for us. Urgent both from the standpoint of what we will have to do about it, and for its implications for our future farm policy.

These people aren't going to starve quietly. They're the same people Communist China has her eye on. With them on her side she boasts that she'll "encircle the capitalist world." If we don't get a move on, she might. If large parts of the world are going to be hungry, as now appears likely, the desperate chaos that could result could make Vietnam look like a neighborhood argument.

What's happened to pose any such a threat? The underdeveloped part of the world (Asia except for Japan and Taiwan, Africa except for the southern tip, and northern Latin America except for Mexico) has suddenly begun to lose the race to feed its people. "Suddenly" means since 1960, but the further into the sixties we get the more frightening the picture becomes. You'll soon be hearing more about it.

During the 1950's per capita food production in the world gained a little, but the gain was temporary. DDT had knocked out malaria in large regions, letting more land be farmed. Big irrigation projects had opened up other land.

Opening up new land has always been the chief means of getting more food in needy areas. But now the hungry half of the world is running out of new land to farm. That's the first big happening. The second is that since World War II the boom in population—in the same part of the world that's out of land—has been fantastic. Much lower death rates plus higher birth rates account for it.

We've heard about this, of course, but have little idea of how startling it is. This statement from Lester Brown, staff economist in the USDA and an expert in these matters, makes the picture clear:

"From the beginning of the human race until 1960 world population built up to a little more than 3 billion people. Barring something drastic, by the year 2000—35 years from now—we'll have another 3 billion. We will double what it took millennia to produce. In just 35 years we will need to double world food output, even to continue at today's inadequate dietary levels."

We might do it if the land were where the people will be, but it isn't. Asia, for example, has 56 percent of the world's people, only 31 percent of its arable land.

Moreover, the underdeveloped part of the world has increased yields per acre only 7 percent, as compared with 107 percent in North America. In the 1930's six big regions had grain to export. Today only two have any to spare—North America and Australia-New Zealand.

The effect on our own farm program, once we wake up to this, could be tremendous. We certainly won't just sit here, fat and content, while vast numbers of people face starvation.

Not only would our Christian consciences not permit it, but our own peace and security would be directly threatened.

Besides, it is just beginning to dawn on us that U.S. farmers' best prospect for "new business," their best possibilities for growth, lie not in the United States but elsewhere in the world.

This vast future market will come partly from our stepped-up donations for the hungry. Partly it will lie in increased cash sales for U.S. dollars—provided we continue to subsidize farm exports. (Our subsidy on wheat amounts to 21 cents a bushel, on rice \$2.20 per hundredweight, on dried milk 6.6 cents per pound, on cotton \$28.75 a bale, to cite some examples.)

Currently we're paying farmers directly around \$2 billion a year to produce less. Through one program and another, we've idled 50 million acres. Most of it could come back into crops in a hurry. One of these days we may stop planning to produce less and start thinking about raising more.

It isn't generally realized that because of land retirement on the one hand and Government subsidies on farm exports plus huge food donations on the other, we've largely worked off our food surpluses. We're short right now of dried milk, rice and anything containing protein (except soybeans in which we have a sizable carryover—perhaps 100 million bushels).

Despite a big feed grain crop this year, our feed supplies are no longer the burden they once were, although they are still well above what we need for a reserve.

The wheat picture has changed. About a year ago Farm Journal carried an article by Karl Hobson, of Washington State University, a leading authority on the wheat situation, reporting that the world wheat surplus was disappearing. It was news that surprised most of us.

In a new dispatch to Farm Journal, Hobson now warns that the day of a severe

world wheat shortage is drawing closer. In fact, he says, "The world right now is eating on borrowed time."

"Russia, Red China and Australia, which produce 40 percent of the world's wheat, have short crops. North America will have a record crop this year, providing Canada gets good late-harvest weather. Western Europe has a large crop, but much of it will be fed to livestock because of persistent wet summer weather which hurt feed grains."

"When we add up all the prospects," Hobson continues, "it is evident that total world production will be down sharply—probably down to the 1962 level of 8.76 billion bushels. Last year the world crop hit 9.17 bushels. It was a new record by a big margin. But it wasn't enough. Use exceeded production."

"World use of wheat is also likely to be down some this year. It usually is when the crop is short. But taking production and consumption both into account, the carryover in 1966 in the four major exporting countries—the United States, Canada, Australia and Argentina—will be 1.2 billion bushels, nearly all of this in the United States and Canada."

"In the view of many, this is about as low as we dare let the carryover get in today's world."

"As for the United States," Hobson says, "our carryover next July 1 (providing shipping restrictions are removed) would be about 650 million bushels. This is about what we need for a strategic reserve, an amount below which we should never allow our wheat stocks to fall."

"Looking farther ahead, unless wheat production can be stepped up rapidly, many of the world's people will have to tighten their belts. Nearly all countries (but us) are straining to increase output. Yet the world is falling behind."

Already we are the world's leading exporter of wheat (we send three-fourths of our crop abroad). We are second in rice, could be first any time we choose to take off the lid. We supply 59 percent of the world's corn exports, 75 percent of the grain sorghum and 17 percent of the barley. We furnish practically all of the soybean exports, 63 percent of the dried milk, 40 percent of the poultry.

With half the world hungry now, and sure to be a lot hungrier before long, we have not a moment to lose. We must comprehend this frightening prospect and think about what we will do, both with regard to our own farm plant and our program of helping the hungry world.

[From the October 1965 issue of Farm Journal]

#### NEXT: THE WAR ON HUNGER

If you haven't read the article on page 33, stop right now and do it. It reports the frightening prospect that the threat of starvation lies not far ahead for multitudes in vast regions of the world.

How can we help prevent it?

Well, first we can't solve the problem just by sending food from here, although we'll have to send even more than now. Largely it must be solved where the problem exists. Let's consider both aspects.

The very label "food for peace" quite unintentionally gives us a false sense of comfort. It implies that if we'll just write a big enough check, and send enough food somewhere we will somehow have "peace," and all will be well. Perhaps we ought to discard this lulling phrase for something that really pictures the emergency, like "The War on Hunger," or "The Fight for Food."

To fight this war successfully we've got to be a lot tougher than we have been. We've handed out \$21 billion worth of food in the last 10 years, too often saying "Here it is, do what you want with it," simply because our overcautious State Department has been

<sup>1</sup> Average for 1934-38.



scared witless for fear of offending somebody.

Many a hard-pressed Government, figuring we would continue to take care of the food problem, has diverted scarce resources away from agriculture to industrial or military uses. This only perpetuates their food problem.

Tying strings to our aid will win us no popularity contests, but if we are to continue to buy time for hungry countries, we'll have to require that they turn their own energies to their first need—food. We'll be glad to help them do it if they will.

Second, we could use our food in the war on communism much more effectively than we're doing. Wars aren't gentle. Food is a mighty potent weapon. It's one we have in abundance and one that the Communists lack and cannot get.

Why not use it instead of meekly handing it out to those who tell us to go jump in the sea? When a hungry man comes to our door we feed him, but we can let him chop a little wood first.

The food we do send can well be directed chiefly to feeding young children, and for charitable purposes, and for emergencies. Nutritionists say that a child seriously malnourished up to age 6 is maimed for life, mentally as well as physically.

We're currently fortifying the dried milk we send with vitamins A and D, and we're mixing protein concentrates and vitamins with native grains.

These things we can do, and need do in even greater measure, but having done them we will have met but a small part of the problem. We can't dump much more food on needy countries—we're sending about all they can take in and distribute now. Suddenly to flood them with more would demoralize their own struggling agriculture and compete with our own dollar sales.

What, then, can be done on the spot? Two things, neither of them quick or simple, but both absolutely imperative: increase yields per acre (since these regions can't bring in many new acres) and slow down the birth rate. Farm Journal will soon report further on some new developments that will sharply affect the world's population problem.

What can be done to step up crop yields?

Not much can happen without such basics as stable government, education, and a system of incentives that lets a man keep enough of what he earns.

Farmers anywhere need good seed, fertilizer, pesticides, machinery, experiment stations, extension services, good farm magazines and farm radio, good roads, farm credit, and a system of markets that lets them sell something, rather than just feed themselves.

We've done quite a bit about some of these, but this is the area where we need to step up our efforts sharply. Sending food is a necessary emergency aid. Helping build agriculture on the spot is the only real solution.

There will doubtless be times when we will wonder whether anybody could help such people, or should try. But we'll have to try, and keep trying. We're spending decades—and \$20 billion—to put a man on the moon. It seems at least as important to help the human race eat.

Mr. McGOVERN. Mr. President, the junior Senator from Minnesota [Mr. MONDALE] planned to join with some comment on the world food situation at this time, but he is unable to be present because of a prior commitment. He has asked me to insert in the RECORD a brief comment he has prepared on the subject.

I ask unanimous consent to have printed in the RECORD the statement of the junior Senator from Minnesota [Mr. MONDALE].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR MONDALE

My distinguished friend, the Senator from South Dakota, has once again performed an invaluable public service in delivering this magnificent speech to the Senate today.

The worldwide war against hunger is without doubt, as he points out, "the most important war." And it is the most urgent war. As the Senator has so clearly demonstrated 3 million children every year are dying from hunger or malnutrition. And if population continues to increase faster than food production—and present indications are that it will, if we do not act—this massive human catastrophe will grow far worse.

I do not believe that we can let it grow worse. I am convinced, just as the junior Senator from South Dakota is convinced, that we must enlarge our efforts, by expanding our food for peace program and giving increased agricultural assistance to agriculture in developing countries. I stated my conclusions at length on the Senate floor last July 29. \* \* \* But the basic truth, it seems to me, is simple. The world needs food, and we in the United States have an unmatched, untapped agricultural potential.

I hope that the day may come when we can concentrate our greatest efforts not on idling acres and storing surpluses, but on feeding hungry peoples instead.

Mr. DODD. Mr. President, I want to commend the distinguished Senator from South Dakota [Mr. McGOVERN] for his cogent presentation on world food problems.

I share his conviction that the most overwhelming paradox of our times is the fact that we permit half the human race to go hungry while we struggle to cut back on surplus production and to cope with the problem of national obesity.

I also share his conviction that we have paid far too little attention to this problem.

A few months ago, as chairman of the Subcommittee on Economic and Social Policy of the Foreign Relations Committee, I took testimony on this subject from Mr. Tom Ware, chairman of the Freedom From Hunger Foundation.

Mr. Ware also underscored the point that the world's population was growing far more rapidly than the production of food; and he said that the entire situation was further complicated by what he described as "the spread of the Communist incentive desert."

This testimony has recently been published by the Foreign Relations Committee. And I must say that it supports and confirms in every respect the arguments which the distinguished Senator from South Dakota has so forcefully advanced in his statement today.

I was particularly gratified to note the Senator's statement that our food surpluses are all but gone and that "the United States would scarcely meet our own consumption needs for 6 months if catastrophe should wipe out our crops in a single growing year."

This was a point which I also sought to make in my speech on the floor of the Senate on September 9, questioning the wisdom of large-scale grain shipments to the Communist bloc, in the absence of certain elementary political concessions.

I also argued—although the distinguished Senator has done so much more forcefully and in greater detail than I did—that we should be thinking in terms of expanding our food production to meet the growing world food crisis, rather than in terms of retiring croplands.

I believe it unwise to enter into quickie deals with Communists or any other would-be purchasers, inspired by a false concern over a wheat surplus which would be inadequate to meet a major national emergency, let alone a world emergency.

In this same speech, I expressed the belief that—and here I would like to quote from my own remarks:

Our own Nation and the other three grain-exporting nations of the free world should organize themselves into a consortium for the purpose of planning future grain exports in a manner that most effectively copes with the problem of hunger and which, at the same time, gives maximum political support to the cause of freedom, to our own security, and to the peace of the world.

I wholeheartedly support the objectives of the International Food and Nutrition Act which the very able Senator from South Dakota has introduced.

I agree with him, too, that our own economy would benefit greatly from a doubled food-for-peace program, and that such a program could do much to alleviate the problem of world hunger over the coming critical period.

Mr. President, I believe that, although the Senator and I have approached the problem from different directions, we have arrived at very similar conclusions. To illustrate what I mean by this, I ask unanimous consent to insert into the RECORD at the conclusion of my remarks that portion of my September 9 speech in the Senate which was captioned "The Fallacy of the World Grain Glut."

I commend the Senator again for an outstanding contribution. He deserves the gratitude of all of us.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

#### THE FALLACY OF THE WORLD GRAIN GLUT

The second argument advanced in favor of agricultural sales to the Communist bloc is that this is the only serious way in which the major grain producing nations of the free world can relieve themselves of the serious internal problem posed by the heavy grain surpluses of recent years.

This argument, too, is false, because it relates to a situation that may have existed a decade or so ago, but which no longer exists today.

Over the past decade, more than 400 million people have been added to the world's population. Although much of the world still goes hungry, the increase in population has inevitably resulted in a major increase in grain exports, and this tendency is bound to continue over the coming period.

With a rate of population increase that now stands at some 50 million annually, it would require an additional 10 million tons of food grains each year to maintain the current level of caloric intake.

And the sad fact is that, as of this juncture, the increase in agricultural production is lagging sadly behind the world's increase in population.

This was the subject of some very dramatic testimony which I recently took from Mr. Tom Ware, president of the Freedom From Hunger Foundation, in a hearing of

the Foreign Relations Committee Subcommittee on Economic and Social Affairs, over which I presided.

Mr. Ware also made the point that one of the chief factors in the world food crisis is the spread of what he called the Communist incentive desert.

He said that the spreading blight of collectivized agriculture over so much of the world's surface had probably cost the world more in terms of total food output than all the natural calamities put together.

A rational agricultural export policy for the coming period would require that we take inventory of the anticipated food requirements of the so-called hungry nations.

If we did so, I am certain that it would immediately become apparent that the era of undisposable grain surpluses has now come to an end and that we have entered into a new era characterized by growing food shortages in many parts of the world, Communist and non-Communist alike.

The only countries in the world with sizable surpluses of food grains, at the present juncture and over the foreseeable future, are the United States, Canada, Argentina, and Australia.

It is my belief that our own Nation and the other three grain-exporting nations of the free world should organize themselves into a consortium for the purpose of planning future grain exports in a manner that most effectively copes with the problem of hunger and which, at the same time, gives maximum political support to the cause of freedom, to our own security, and to the peace of the world.

I believe that it would be possible to get the backing of Canada, Argentina, and Australia for such a consortium if we could provide the governments of these countries with a firm assurance that, if circumstances at any time require that they forego sales to the Communist bloc, they will not be left holding the bag on undisposable grain surpluses.

I believe that a careful setting forth of the facts would help to win support for this proposal.

If Canada, Australia, and Argentina could be persuaded that the era of undisposable gluts has come to an end and that the grain-exporting nations must start thinking in terms of expanding production rather than curtailing production, and if they could be persuaded to expand their storage facilities and to join us in a number of other measures designed to take the pressure off the world market, such a concert of policy would soon produce tangible economic benefits in the form of a more realistic price for wheat in the markets of the world.

It is an anomaly that surpasses understanding that the price of wheat should be \$2 per bushel in the United States and \$2.20 in Europe, while it is only \$1.50 in the world market. It puts the U.S. Government in the position of subsidizing everyone, friend and foe alike, who buys our wheat.

I would even be prepared to consider committing ourselves to purchase from Canada, Australia, and Argentina any surplus remaining after a period of several years, in consequence of any decision by the consortium to suspend sales to the Communist bloc.

There are some who may object that such an arrangement might cost us hundreds of millions of dollars before we were through. I think this estimate is exaggerated, because ultimately the surplus we purchase would be disposed of, and, because the cost of the program would be largely offset by the increased price of wheat.

But even if it did cost us some hundreds of millions of dollars, this is a very small price to pay compared with the price we are today paying to stem the tide of Communist aggression in southeast Asia, in Latin America, and elsewhere.

The creation of such a free world consortium would enormously enhance our bar-

gaining power with the Communist world, especially in coping with crisis situations like Vietnam.

But this is not the only reason why we must seek to enter into a joint understanding with the three other major grain producing nations.

Even if there were no cold war, such a consortium would be necessary for the purpose of planning the most effective possible distribution to the areas of greatest need.

And the mere existence of the consortium would automatically result in a substantial increase in world grain output by raising the world price of wheat to a more realistic level.

### U.N. VICTORY

Mr. McGOVERN. Mr. President, the achievement of a cease-fire by the United Nations in the Pakistan-India conflict, is a most encouraging victory. This highly dangerous conflict threatened to destroy the peace of the world. Only the careful, courageous intervention of the Secretary General and other U.N. officials brought about a cease-fire. All those nations and peoples of the earth who believe in peace are indebted to the U.N. for this effective action.

I wish to pay special tribute to our great President, Lyndon Johnson, for the magnificent manner in which he has led our Nation throughout this crisis. The dignity, the restraint, and the wisdom manifested by the President was a key factor in making a cease-fire possible. One precipitous or rash action by the leader of the most powerful nation in the world could have converted the Pakistan-India fighting into a much more tragic development. But by firm backing of the U.N. and his brilliant Ambassador Arthur Goldberg, President Johnson contributed mightily to the cessation of hostilities in the Indian subcontinent.

Any lingering doubts that we might have had as to the absolute importance of the U.N. in today's world should be dispelled by this recent victory for peace which is only one of a series of such victories achieved by the United Nations over the years.

Mr. President, the current issue of the New Republic for September 25, 1965, carries four brief articles which I think shed considerable light on the India-Pakistan crisis, including the possible role of Red China in this and other Asiatic crises.

These articles are as follows: "The Opinion in Paris: China Won't Fight," by Philip Ben; "India and Pakistan at War," by Charles Burton Marshall; "If There Is No Cease-Fire Soon," by Stephen Barber, and excerpts from testimony before the Senate Foreign Relations Committee, May 6, 1959, including an interesting colloquy on the part of our colleague, Senator GORE, and former Secretary of Defense McElroy.

I ask unanimous consent that the articles be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE OPINION IN PARIS: CHINA WON'T FIGHT  
(By Philip Ben)

Few recent diplomatic initiatives have been so misreported as General de Gaulle's probes of Chinese intentions. It has been reported,

for instance, that André Malraux, whose trip to Peiping was in connection with a forthcoming Chinese art exhibit, returned appalled by Chinese leaders' lack of realism and by their childish disregard for American power.

I investigated those reports in Paris and found them wholly untrue. Not only Malraux but other Frenchmen recently returned from China report a keen Chinese appreciation of the immensity of U.S. military might and the swiftness with which it can be put in operation at any point on the globe. While they refer publicly to the United States as a "paper tiger," in private Chinese leaders say that they will do everything to avoid a head-on clash with the Americans. While giving aid to North Vietnam and to the Vietcong, so they told Malraux, they are determined not to engage any of their troops there. Moreover, this is hardly necessary, in their judgment, because the Vietnamese are capable of bearing the brunt of the fighting. The Chinese have also made it plain that they are determined not to give the Americans any pretext for air raids on China.

But the Chinese leaders have no interest in the speedy end of the war in Vietnam or in any negotiation. They disparage all would-be mediators—the Soviets, U Thant, Nasser. When offering to mediate say the Chinese, all such parties have only one thing in mind—boosting their own prestige. This may explain why, after Malraux's return to Paris, any idea of French mediation was shelved by De Gaulle.

The French now feel that the Chinese are willing to fight the Vietnamese war up to the last Vietnamese, believing that the longer the war lasts the greater the political reverses for both the United States and Soviet Russia; the United States because it is involved in the fighting, Russia because it is not, though for years it has said it would crush any imperialistic aggressor who dares to raise his hand again any socialist country.

The Chinese leaders have told the French that all problems of southeast Asia will finally have to be thrashed out in bilateral talks between Peiping and Washington, but that a modus vivendi between these two powers could be achieved only if the United States agrees to leave Asia. This does not mean that the Chinese foresee the possibility of ending the war in Vietnam by such bilateral negotiation. That war, they hope, will peter out in a year or two, or 5 years. The Americans will then withdraw. Only after such humiliating withdrawal, they think, will the Americans be ready to discuss with Peiping an overall settlement for eastern and southeastern Asia.

I should point out that this view is fully shared by French officials right up to De Gaulle. They know, of course, that the Americans will not be defeated. But they believe that as the war goes on the structure of Vietnamese society, north and south, will be shattered, leaving in the end only ruins and homeless refugees. The Americans will never be able to revive or run a Vietnamese state. Sooner or later they will leave. Who will move in? The Chinese. The only barrier to that takeover has been the Vietnamese nation and the Vietnamese states, anti-Communist and Communist alike. But they will be no more.

French officials now have an excellent knowledge of what is going on in the minds of the North Vietnamese leaders, who are said to be much closer to Moscow than they were even a few months ago, and who are increasingly irritated by Peiping's uncompromising attitude. The reason is simple: lately Soviet aid to North Vietnam has been arriving in serious quantities; not only military aid but also economic. If there is at present no acute starvation in North Vietnam, though shortages are very grave, it is due to Russia. China still gives very little. In addition, the leaders in Hanoi look with mounting concern on the destruction of their country by U.S. air raids. One is told



in Paris that most Hanoi leaders now fully accept Moscow's opinion, expressed only in private, that they have everything to gain and nothing to lose from negotiations and a peaceful settlement. But neither Moscow nor Hanoi is yet willing to make the slightest move in that direction, if there is the slightest risk that Peiping will denounce it as a betrayal and a "surrender to American imperialists." Will the time ever come when Hanoi could be induced to disregard Peiping's advice? French officials constantly discuss that question. They are not sure whether an affirmative reply is warranted. They ask themselves how Peiping could be induced to give up its virtual veto power over negotiations. China's price is not known. And when it is, who will be willing to pay it? Not the United States in its present mood.

Thus, the French conclude, there is no alternative but for the war to continue. That conclusion is reinforced by the findings of qualified Frenchmen, who have been to China lately and report that conditions are infinitely better than at any time in the last decade. This year's harvest is said to be satisfactory; food supplies are sufficient for the meager diet. And as the Chinese leaders told their French visitors, an outside war for which China's two most powerful foes, the United States and Russia, are paying heavily is the best guarantee that China will be left in peace to pursue her domestic tasks.

French visitors have been struck too by the degree of contempt which the Chinese leaders display towards Soviet Russia; and by their exuberant confidence that the Chinese-Soviet feud has now turned to their benefit. They are determined to continue harassing the Soviet leaders, and they are equally disparaging about India. For them the Indian state is as rotten as Kuomintang China once was. And they forecast that it will have a similar fate. But again the Chinese have not the slightest intention of getting involved in a military adventure against India, though they will relentlessly push their cold war against the southern neighbor that once was their competitor for the title of Asia's first power.

#### INDIA AND PAKISTAN AT WAR—NEITHER SIDE COULD CONCEDE AND SURVIVE (By Charles Burton Marshall)

A long and complex past lies behind the subcontinent's new war. In the applicable time scale, Islam is a relative novelty, for its advent dates back a mere twelve and a half centuries to the Arab conquest of Sind. A series of invasions from Afghanistan followed three centuries later. Their eventual and enduring result was the Delhi Sultanate, 1206-1526, during which Afghans subdued Bengal, Islam was carried into the Himalaya and Kashmir conquered, and Muslim outposts were spread into the south. In the sixteenth century, these positions were overrun by a further Muslim conquest from the northwest—that of the misnamed Moguls.

Islam's adherents, thus deposited widely over India, came to aggregate about a fourth of a population preponderantly Hindu. They were concentrated more in the north and formed majorities only in the northwest and northeast extremes. Great ethnic, lingual, and regional differences divided them.

Besides being heavily outnumbered, Muslims were generally at a competitive disadvantage in important vocations. A main exception was the military profession. The Bengalis aside, Muslims generally did well at soldiery. They also enjoyed the prestige of religious identity with the establishments ruling over large portions of the subcontinent at the Mogulate's zenith and through its long decline. But with the Mogulate's final collapse and the advent of the British raj in 1857, Muslim thought had to meet the problems of a disadvantaged and highly

self-conscious minority. The response was to emphasize connections with the great body of Islam outside the subcontinent. Insecurity was redressed by invoking a community, part mystical and part real, epitomized in the caliphate which combined religious with temporal authority in the Turkish sultan.

Humiliation of the caliphate with the defeat of Turkey in World War I and the secular-minded Atatürk's subsequent outright abolition of the institution amounted to a spiritual amputation for the subcontinent's Muslims. A movement developed to restore the caliphate as their anchor of significance. Meanwhile, eventual independence for India, prefigured in Britain's grant of a small measure of self-rule in the 1919 Government of India Act, became a growing prospect. The caliphate movement found a new name as the Muslim League and a new purpose in demands for autonomy, and then for separate statehood for Muslims in the event of independence for India. In dreams spun by this movement, a Muslim state in the subcontinent, as the Islamic world's most numerous and powerful, would be looked to for leadership by Muslims everywhere and would thereby gain an importance rivaling or even excelling India's. But there were secular considerations too. Proponents of Pakistan sought a polity of their own so as to escape political subordination to a majority from which they felt alienated.

Specifically, two factors appear to have been indispensable in the resulting emergence of Pakistan. One was the driving personality of Mohammed Ali Jinnah—a man of no strong religious impulse but of implacable resolve not to be ruled by Hindus. The second was a determination to preserve the professional identity of Muslim officers fearful of being submerged or eliminated when the British Army in India should become the Indian Army.

The new state of Pakistan took form in two territories, with a population differentiated in language, personality, and outlook. A thousand unfriendly Indian miles separated them. A governing apparatus had to be assembled from scratch: Trained talent was woefully short, for much of the Muslim component of the Indian civil service opted for India. The new army was infected by a conspiracy hatched between Communists and hothead officers. The founding father soon died. His lieutenant was assassinated. No unifying figure was at hand. The economy was in a bog. Pakistan's survival through its initial years seemed improbable.

External relations gave no comfort. The anticipated ascendancy among Muslim states proved a pipedream. Pakistan seemed outclassed. Besides its numerical advantage, India had the prestige of an ancient historic name and a world renowned leader, Jawaharlal Nehru. Pakistan's name was synthetic and unfamiliar, and its leaders were scarcely notable even at home. The most bedeviling frustration related to a dispute over a former princely state in the Himalaya.

Under agreed principles for dividing up the subcontinent, princely states would adhere to Pakistan or India at their rulers' option—a provision included at the instance of the negotiators for Pakistan-to-be, with an eye to Deccan Hyderabad, with its rich Muslim Nizam in sway over a mostly Hindu populace. They expected to finesse the situation in Kashmir, where for a century a Hindu dynasty had been misruling a mostly Muslim populace. These expectations went awry. The Indians preempted Hyderabad in force. Kashmir's shaky maharaja, who had probably nursed futile dreams of autonomy, summoned India's help against armed intrusions from Pakistan and signed an accession to India, only to be soon displaced for unfitness.

Pakistan and India tottered to a mountain war beyond their means. Then a U.N. commission arranged a cease-fire under continuing international supervision. The outcome left India's Army holding the bulk of the contested area, including the coveted Vale of Kashmir, and Pakistan's forces in the margins. India, as well as Pakistan, agreed or at least said it agreed to a plebiscite rather than force as a means for settlement. For the time being, both states refrained from annexations within their lines. Perhaps India's declared intentions were sincere. Perhaps its design was to delay long enough to predetermine, if possible, a favorable tally. In any event, India soon began to renege, especially after its 1952 elections brought a nationalist upsurge uncompromisingly against any concession to religious identities within India and for annexation in Kashmir. Thereafter India shifted ever more unequivocally to a thesis holding the status of Kashmir to be a domestic concern, a settled issue, no business of Pakistan's. Obviously, Pakistanis felt that they were being patronized and scorned.

A half dozen years after independence, Pakistan's need of something to anchor to outside, of some substitute for the extinct caliphate, was desperate. It was then, in the wake of stalemate in Korea, that the United States began shopping for Asian members for an alliance hopefully designed to ward off further attempted Communist conquests in southeast Asia. Pakistan responded. Its Foreign Minister tried to get the Manila Treaty amended to focus it against India. Secretary of State Dulles said no; the pact would be confined to anti-Communist purposes. Otherwise, the Senate would not concur. Pakistan signed on as a recruit anyway. Its new ally was a big country and a big spender. Pakistan would get aid to quicken its economy and to expand and to update its armed forces. U.S. military aid would be subject to provisos requiring the concurrence of Washington for its use against foreign enemies. The insistent neutrality of the United States on issues of high moment to Pakistan might be modified in time and by persuasion. At least, Pakistan could so hope. It joined another regional pact, sponsored but not adhered to by the United States, and in 1958 the United States came through with a bilateral agreement specifying concern for Pakistan's security. Pakistan's forces made a good showing with the aid they received. In return, the United States was using Pakistani locations for its strategic observations.

Perennially petitioning at the U.N. and elsewhere, Pakistan continued to elicit from others, including its big ally, homilies about negotiation and settlement of its dispute with India—as if the solution depended on trading parcels of territory, distributing waters, and adjusting local anomalies. But Kashmir stood as a classic instance of an unnegotiable issue, because it bears on the very raison d'être of both parties.

India is a congeries of faiths—Muslim, Christian, Buddhist, Jainist, Parsi, and Sikh, as well as Hindu, and the Hindu system itself is riven into a complex of exclusory castes. India could not exist as a modern state except on a secular basis. India must fight for its national life against ever-latent disintegrative forces. It has small margins. It professes to see a mortal risk in making concessions to the idea of a religious basis for allegiance. But Pakistan's existence rests on religious identity, which compels it to uphold self-determination for Kashmir. Pakistan-to-be was fickle to its own premise in the 1947 gambit on the right of princes to opt for their subjects. In any event, a choice exercised by an unfit, precarious ruler seems a sorry basis on which to foreclose such an issue. Each disputant understands fully, even if it cannot accept, the other side's

position. Further parleying became pointless long ago.

Short of being forced into submission, it is hard to see how either could accept terms acceptable to its adversary. Probably neither regime could concede and survive. Pakistan could not possibly back down. It could only trouble the issue along, growing increasingly restive but still unable to break out of a status quo in which India held the advantages. The possibility of an alternative approach, in explicit or tacit conjunction with Red China, was probably long entertained by the Pakistanis. I so surmised on observing the lionizing of Chou En-lai in Karachi in December 1956.

Three years ago India announced with great flourish a decision to oust the Chinese from a disputed zone on her borders. The Chinese responded militarily with shattering effect on a limited front. Without even waiting to get terms signed, the United States began rushing military aid to India. It made no stipulations about Kashmir. One can suppose India would not have budged anyway on Kashmir. Subsequently, a number of visiting U.S. emissaries made ritualistic appeals for the disputants to negotiate some more. India stuck to its position. So did Pakistan.

For Pakistan the United States must have lost all its value as surrogate to the caliphate, at the moment of beginning military aid to India. Pakistan responded by doing the analytically logical thing, warming up to China. Whatever terms, if any, may have been agreed between them, Pakistan now has a partner with whom it is allied respecting India. Boxed in, India finds it difficult to marshal forces against Pakistan. My impression from afar is that Pakistan's moves in the initial stages of the renewed war have reflected comprehensible military purposes, but that India's have been frantic and feckless, as when bombers were sent against East Pakistan cities, with no probable result except solidifying Pakistan's Bengalis behind a war for which they otherwise might have scant enthusiasm, or when an ill-prepared Indian thrust was made toward Lahore.

Pakistan, economically more of a going concern than formerly, has been doing relatively better than India. It might well make it, militarily preempting the position in Kashmir and forcing India's regime beyond its political resources. The disintegrative effect on India would delight China. The effect on U.S. interests would be deleterious. It would be bad to have it demonstrated that an Asian country, trammled while allied with the United States, can score a large success after shifting its alinement to China.

#### IF THERE IS NO CEASE-FIRE SOON

(By Stephen Barber)

Neither the Indian nor the Pakistani armed forces have the capacity to sustain a long war against the other. Although both have domestic munitions plants, and India has a fledgling aircraft industry, and both have substantial accumulations of American, British, French, and Russian materiel, a point must soon be reached where each side will be forced to husband its resources. Short of some master-stroke, and despite the fact that the Indian army comprises 17 divisions against Pakistan's eight and that in population terms the balance is  $4\frac{1}{2}$  to 1, the regular forces are unlikely to achieve more than a stand-off.

But when that happens, if not before, irregulars may very well keep up the fight; more alarmingly, communal violence is liable to break out on a 1947 scale, when between 500,000 to 1 million perished.

Communalism is the curse of the subcontinent. It is not limited to Hindu-Moslem antagonism. Sikhs in the Indian Punjab, who were driven out of their ancient settle-

ments around Lahore in 1947 almost to the last man, have never got along well with their Punjabi Hindu neighbors. This has led to bloody clashes.

The language issue in India has led to riots again and again—the most recent being in South India this summer where Madrassis objected violently to the imposition of Hindi in place of English as the nation's official language.

New Delhi has run into similar troubles in Assam, and the volatile Bengalis have constantly been rioting about something—whether politics, bread, religion, or language. In caste-ridden India, it has been enough to set off bloody uprisings for an untouchable to draw water from a village well, thus defiling it in the eyes of those higher in the Hindu scale.

As if that were not enough, clashes have regularly taken place between Indians and so-called tribals—primitive hill folk. For years the Indian army and air force has tried and failed to subjugate the Nagas, who demand independence from Delhi. This has soaked up battalions of troops.

India's 50 million Moslems form one-ninth of its population; the Moslem pockets isolated in a Hindu mass are an easy mark. It is hard to say whether they are more vulnerable in the big cities, such as Delhi, Calcutta, and Bombay, where Moslems are apt to be shopkeepers and artisans and are better off than their Hindu neighbors and on that account alone a target for hatred, or in isolated village communities.

For 17 years the armed forces on both sides have been preparing for this war. If it now ends in a standoff, as I believe it must, what happens to the reputations of the military? Could Field Marshal Ayub Khan survive as President? And if not, what will follow him? Obviously for the moment the armed forces loom large on the New Delhi scene. But they took a nasty knock in terms of popular prestige in the Himalayas when they were put to flight by the Chinese nearly 3 years ago. If they cannot now inflict a clinching defeat on Pakistan, one wonders what their title to leadership will be.

The longer the war goes on and the more the threat gathers momentum of its degenerating into interreligious knife-play by undisciplined fanatics on a wide scale, the more dangerous the entire picture becomes.

Anyone who has mixed with educated Pakistanis and Indians over the age of 40, soldiers or civilians, notes that they rub along amicably enough together just so long as Kashmir is not mentioned. They are products of the same school, figuratively and often literally. The tragedy is that so many of these folk now stand a very good chance of being swept aside.

There is going to be a well-nigh irresistible tendency in both camps, of course, to blame Britain and America for the entire calamity. It may be academically interesting for military experts to see whether the U.S. Patton is really a better tank than the British Centurion or the Hawker Hunter more maneuverable than the Lockheed Lightning, but you can take it for certain that the West will catch it in the neck either way.

The chorus will be: "You let us down." Attempts by the American Congress to apply pressure by cutting off civilian aid along with military to both sides, which was voted down on President Johnson's say-so, will certainly be remembered as attempted blackmail. Aid to both has been frozen.

For all these reasons, then, I foresee the upshot of this war as being the emergence of a new India-Pakistan. New leaders will appear, and unless we are very lucky, careful or both, the prospect is that they will be an even more prickly lot to deal with.

The odds look to me about even as between military dictatorship and a Marxist-

based takeover. The only thing that can stop this, and save the existing power elite in both countries, is to agree on a cease-fire while each enjoys sufficient domestic prestige to hang on. But at this writing the chances of such a recourse to reason and self-interest do not look good.

#### THE USES OF MILITARY AID

(Testimony before the Senate Foreign Relations Committee, May 6, 1959)

Senator GORE. I find it difficult to defend giving a vast amount of military assistance to Pakistan and then providing economic aid to India with which she buys Canberra bombers. We are paying the bill on both sides.

Secretary of Defense McELROY. This defense, of course, is not against India. This is allocated to Pakistan for defense against Russia and China.

Senator GORE. Well, that may be your purpose, but our official who is there with the program day to day says that insofar as the Pakistanis are concerned, they want it as armament against India.

Secretary McELROY. Well, we don't agree with them.

Senator GORE. But you give it to them, nevertheless, and they are the ones who will use it, not you.

#### FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. PASTORE. Mr. President, I yield myself whatever time may be necessary to make an opening statement on the bill.

Mr. President, the foreign aid and related agencies appropriation bill for fiscal year 1966, which is now before the Senate, recommends appropriations of new obligational authority in the amount of \$3,907,188,000. This amount is \$281,735,000 under the budget estimates and \$94,265,000 under the amount allowed by the House.

In reporting this bill to the Senate, the committee took into consideration the will of the Senate when it acted upon the authorization bill in the first instance and approved the sum of \$3.243 billion for title I of that bill, relating to economic and military assistance. In comparison with the ceiling of \$3.243 billion in the authorization act as it passed the Senate, the committee total for title I is \$3.193 billion, or \$50 million below the Senate authorization ceiling. This recommendation of \$3.193 billion for title I, "Economic and military assistance," is \$92 million below the House allowance and \$266,470,000 under the amounts requested in the budget.

A summary of the bill, printed on page 2 of the committee report, sets out the comparisons of the three titles of the bill, including the budget estimates, the bill as it passed the House, and the amounts recommended by the Senate committee. I ask unanimous consent, Mr. President, to have this table printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD.



## Summary of the bill

Title	Item	Budget estimates (amended)	Bill as it passed House	Recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—	
					Budget estimate	Bill as it passed House
I	Foreign assistance.....	\$3,459,470,000	\$3,285,000,000	\$3,193,000,000	-\$266,470,000	-\$92,000,000
II	Foreign assistance (other).....	729,453,000	716,453,000	714,188,000	-15,265,000	-2,265,000
III	Export-Import Bank of Washington (limitations).....	(1,190,172,000)	(1,190,172,000)	(1,190,172,000)	-----	-----
	Total.....	4,188,923,000	4,001,453,000	3,907,188,000	-281,735,000	-94,265,000

Mr. PASTORE. For "Technical cooperation and development grants" under title I, the committee has concurred with the House recommendation of \$202,355,000, which is \$16,645,000 under the budget request. The funds provided hereunder will be used principally to hire experts and technicians to help less-developed nations help themselves in such fields as education, health and sanitation, communications, transportation, and public administration. These funds also finance ocean freight charges on relief shipments by approved American nonprofit voluntary agencies.

The appropriation item, "American schools and hospitals abroad," has been recommended at the budget figure of \$7 million, which is the same as the House allowance. This is a reduction of \$9,800,000 under the 1965 appropriation, occasioned largely by the completion of financing for the new medical center at the American University at Beirut.

For "International organizations and programs," an appropriation of \$144,755,000 is recommended, which is \$800,000 under the budget estimate. Under this appropriation, funds are provided to permit the continued participation of the United States in the following United Nations and other international programs:

U.N. expanded program of technical assistance and Special Fund.....	\$65,000,000
U.N. technical and operational assistance to the Congo.....	5,000,000
U.N. relief and works agency for Palestine refugees.....	15,200,000
U.N. Children's Fund.....	12,000,000
U.N. Food and Agriculture Organization—world food program.....	2,000,000
International Atomic Energy Agency—operational program.....	1,000,000
Indus Basin Development Fund.....	43,100,000
International Secretariat for Volunteer Service.....	120,000
World Health Organization, medical research.....	100,000
U.N. peacekeeping: U.N. Emergency Force (Near East).....	835,000
U.N. Training and Research Institute.....	400,000
Total.....	114,755,000

Two of these—World Health Organization, medical research; and U.N. Training and Research Institute—are now cooperative activities designed to promote the dissemination of information on cancer research and to encourage research in promising areas, in the first instance, and to provide advanced training for present members of the U.N. Secretariat, as well as for citizens of new nations for

service with the U.N. or with their own national administrations, in the latter case.

The next item in title I is "Supporting assistance." For this item, the committee has recommended an appropriation of \$369,200,000, which is the same as the House allowance but \$80 million under the budget estimate.

Supporting assistance is economic aid which is employed to advance and protect U.S. national security and foreign policy objectives by assisting those nations which need help in maintaining their defensive forces against Communist expansion and in preserving their economic and political stability under such pressures. The objective of supporting assistance is to move a country out of this aid category as rapidly as conditions within the country permit. Nearly 90 percent of the aid under this appropriation will be concentrated in four countries: South Vietnam, Laos, Korea, and Jordan; and about half of this will go to Vietnam alone.

Over the past decade there have been three phases through which a number of countries have moved in recovering from political and/or military upheavals with external help. In the first phase, external security and a minimum of internal law and order are established. In the second, political and economic institutions are strengthened and the economy is stabilized. In the third phase, economic growth picks up speed, and dependence on extraordinary assistance is gradually reduced and then eliminated. Good illustrations of countries which have moved from one phase to another are Greece and Taiwan. While these countries depended heavily upon supporting assistance in the past, they are no longer recipients of such aid.

For the "Contingency funds"—both general and southeast Asia—the committee recommends the full budget estimate, \$50 million in the first instance, and \$89 million for southeast Asia. These funds are necessary for the successful attainment of the total objectives of the foreign assistance program. They are used to meet urgent and unforeseen needs, or needs which could not be defined with reasonable accuracy at the time the budget estimates were presented to the Congress. In the pending bill, the \$89 million for southeast Asia is a case in point. On June 3, in a budget amendment, the President requested this sum for mutual defense and development programs in southeast Asia. The full amount was authorized by the Congress in Public Law 89-171, and the committee has concurred with the House in allowing the full estimate.

Contingency funds are used in several different types of situations. First, there are the cases in which there is an urgent need to expand assistance to a country, the security of which is threatened by new or intensified Communist attack, threat, or subversion. Past examples of this type of use have occurred in both Laos and Thailand.

The second type of situation, and for which by far the most frequent use of the contingency fund is made, is to alleviate conditions of suffering wrought by earthquakes, floods, or other disasters.

The third type of situation is in those cases where unexpected economic or political crises occur and where prompt economic aid—even though it may not meet the criteria of development assistance—must be used to protect both the short- and long-run U.S. interests in the country aided. Thus, whether it be used for preventing Communist infiltration, to relieve people afflicted by disaster, or to protect the U.S. interests in a particular country, there is no question that a prompt and flexible U.S. response in meeting a legitimate assistance need has been attained through the use of the contingency fund.

Under the Alliance for Progress, there are two separate appropriation items: First, "Technical cooperation and development grants," and second, "Development loans." For "Technical cooperation and development grants," the committee has recommended \$75 million, the same as the sum contained in the House bill. For "Development loans," the sum of \$435,125,000 has been approved, which is \$10 million below the House allowance and \$60 million under the funds requested in the budget. Together with the \$29,686,000 in unobligated balances and other funds which will be available, the committee recommendation of \$435,125,000 will provide a program of \$477,811,000.

The Alliance for Progress record makes it clear that the performance by the United States and Latin America requires mutual fulfillment of Alliance projects. United States aid to Latin America is going to those countries which are taking the necessary steps to effect social, land, and tax reforms, and which are employing the necessary self-help measures. While there is much to be done by many of the countries in Latin America along these lines, testimony presented to the committee indicated that there is visible evidence of progress in most Latin American countries which have committed themselves to the policies, reforms, and improvements developed under the programs of the Alliance for Progress.

For "Development loans, worldwide," the committee has recommended \$593,225,000, which is \$82 million below the House allowance and \$187,025,000 below the estimates for fiscal year 1966. However, it has been determined from recent information that \$91,292,000 of unobligated 1965 funds will be carried forward into fiscal 1966, and this, together with the new funds recommended and \$60 million to be derived from receipts, reimbursements, and estimated recoveries will provide a total program availability of \$744,517,000.

Under this item in the bill, the House language prohibited use of development loan funds to implement section 205 of the authorization act. This language has been deleted by the committee and, in lieu thereof, the committee has provided that not to exceed 10 percent of the development loan funds may be made available to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation for use in accordance with laws governing U.S. participation in such institutions. The Agency for International Development proposes to use this authority on a matching basis so that any additional funds the United States contributes to these institutions would be accompanied by an increase in the funds contributed by others. This could be a useful instrument to persuade other donor countries to increase their levels of aid.

For the last two items funded under "Economic assistance"—namely, administrative expenses for the Agency for International Development and administrative expenses to be reimbursed to the State Department—\$54,240,000 has been allowed for the former and \$3,100,000 has been approved for the latter.

For "Military assistance," the committee recommends the full amount of the budget estimate, \$1,170 million which is the same as the House allowance.

In view of the grave threat of Communist expansion and of internal subversion by nationalistic or communistic extremists which faces many nations of the world, the committee believes it to be judicious and in the best interests of this country and of the free world to appropriate the full amount requested for military assistance. In southeast Asia and the Far East, our military assistance program is of special importance and urgency, as Senators well know.

Turning to title II of the bill, which includes funds for the Peace Corps, administration of the Ryukyu Islands, various activities relating to assistance to refugees, and financing for the Inter-American Development Bank and the International Development Association, the sum of \$714,188,000 is recommended. Of this amount, \$102 million is recommended for the Peace Corps, together with unobligated balances remaining available on June 30, 1965, in the amount of \$12,100,000, which will provide a total of funds available for fiscal year 1966 of \$114,100,000. This will allow all but \$900,000 of the \$115 million requested by the Peace Corps. The \$900,000 was

eliminated by Congress during the authorization process.

The committee has recommended the full amount of the budget estimate, \$14,733,000, for the administration of the Ryukyu Islands, which is the same as the House allowance.

For "Assistance to refugees in the United States," \$30 million is recommended. This is \$2,265,000 under the House allowance and the revised budget estimate. During the hearings, departmental officials advised the committee that their estimates of need for fiscal year 1966 had just recently been determined to be lower than anticipated and requested the reduction of \$2,265,000. Senators may be interested to know that the cost of this program have decreased from a high in fiscal 1963 of \$56 million to \$46 million in 1964, \$36.6 million in 1965, and an estimated \$30 million for fiscal 1966.

For "Migration and refugee assistance, Department of State," the committee recommends the budget estimate, \$7,575,000, the same as the House allowance. This is a \$625,000 reduction from last year's appropriation, and is made possible, the committee was informed, by continuing progress in the solution of refugee problems and greater contributions by other governments toward refugee and migration costs.

For the "Investment in the Inter-American Development Bank and the subscription to the International Development Association," the committee has recommended the full budget estimate, \$455,880,000 and \$104 million, respectively. The committee report, which is before the Senate, explains the purposes for which these funds were appropriated.

Under title III of the bill, the Export-Import Bank of Washington, the committee has allowed the full budget estimates for the limitation on operating expenses and the limitation on administrative expenses.

There is one language amendment in the bill which might best be brought to the attention of the Senate at this point.

Section 116, on page 12 of the bill, was inserted by the Senate committee and relates to the transportation of strategic items and other materials to North Vietnam. The House in its version of the bill had amended section 107, prohibiting assistance to any country which sells, furnishes, or permits any ships under its registry to carry items to Castro's Cuba, by adding the words "or to North Vietnam." The committee has prepared an entirely new general provision relating to North Vietnam rather than to attempt to legislate on North Vietnam in the language relating to Cuba, which has been in the law for many years.

Under this provision, the intent of Congress is clear that aid should be denied to any country which fails to take appropriate steps to prevent its ships from transporting strategic items, items of economic assistance, or other equipment, materials, or commodities to North Vietnam.

That concludes my presentation, Mr. President, and I now ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus

amended be regarded as original text for the purpose of amendment; provided that no point of order shall be considered to have been waived by reason thereof.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 25, after "section 252", to strike out "\$445,125,000" and insert "\$435,125,000".

On page 3, line 5, after "section 202(a)", to strike out "\$875,225,000" and insert "\$593,225,000"; and, in line 8, after the word "expended", to strike out "Provided, That no part of this appropriation may be used to carry out the provisions of section 205 of the Foreign Assistance Act of 1961, as amended" and insert "Provided, That not to exceed 10 per centum of this appropriation shall be available to carry out the provisions of section 205 of the Foreign Assistance Act of 1961, as amended".

On page 7, line 12, after the word "regime", to strike out "or to North Vietnam".

On page 8, line 1, after the word "regime", to strike out "or to North Vietnam".

On page 12, after line 7, to insert:

"Sec. 116. In determining whether the funds appropriated or made available pursuant to this Act for assistance under the Foreign Assistance Act of 1961, as amended, may be used for assistance to any country, the President shall take into account such steps as that country has taken to prevent ships under its registry from transporting strategic items, items of economic assistance, or other equipment, materials or commodities to North Vietnam. If any country receiving assistance fails to take appropriate steps to prevent its ships from transporting such items, it is the sense of the Congress that assistance should be denied to that country."

On page 15, line 8, after "(5 U.S.C. 55a)", to strike out "\$32,265,000" and insert "\$30,000,000".

Mr. PASTORE. Mr. President, even though I have read the statement hurriedly, I stand ready to answer any question on the bill.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. ELLENDER. Mr. President, I send to the desk three amendments. The first reduces the amount for the military assistance program by \$100 million; the second reduces the amount of the contingency funds by \$30 million; the third amendment reduces the amount for the general development loan fund from \$593 million-plus to \$543 million-plus, or a total of \$50 million.

Mr. PASTORE. Mr. President, do I correctly understand that the amendments of the Senator from Louisiana are to lie at the desk until they are called up by him?

Mr. ELLENDER. The Senator is correct.

Mr. President, I should like to propound a unanimous-consent request. I have sent three amendments to the desk. I understand that under the present agreement I am entitled to 30 minutes on each amendment.

Mr. PASTORE. That is correct.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. ELLENDER. I ask unanimous consent that the time allotted to me on the three amendments be consolidated,



so that I may make a general statement on the amendments, the time to be charged equally to each amendment.

Mr. PASTORE. In other words, the Senator is asking that the hour and a half allotted to him to be charged generally to the three amendments.

Mr. ELLENDER. That is correct.

Mr. PASTORE. I have no objection.

Mr. ELLENDER. I may not use all of that time.

The ACTING PRESIDENT pro tempore. The three amendments will be considered together.

Mr. ELLENDER. Yes; and such time as I may consume in making my general statement will be charged to all three amendments.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. PASTORE. I have no objection.

Mr. COTTON. Mr. President, reserving the right to object, if the three amendments are to be considered together, does that mean that the Senate will vote on them together?

The ACTING PRESIDENT pro tempore. No; they will be discussed at the same time.

Mr. ELLENDER. They will be discussed at the same time, but acted on separately.

The ACTING PRESIDENT pro tempore. Without objection, the request of the Senator from Louisiana is agreed to.

Mr. SALTONSTALL. Mr. President, has the Senator from Rhode Island yielded the floor?

Mr. PASTORE. I yield the floor.

#### AMENDMENTS NO. 449

Mr. SALTONSTALL. Mr. President, I call up my amendments No. 449 and ask that they be stated.

The ACTING PRESIDENT pro tempore. The clerk will read the amendments.

The LEGISLATIVE CLERK. On page 2, line 10, delete "\$202,355,000" and insert "\$182,355,000".

On page 2, line 14, delete "\$144,755,000" and insert "\$134,755,000".

On page 2, line 16, delete "\$369,200,000" and insert "\$349,200,000".

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum, the time to be equally divided between both sides.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, I ask for the yeas and nays on my amendments.

The yeas and nays were ordered.

Mr. SALTONSTALL. Mr. President, my amendments are very simple. This concerns a subject which all Senators have discussed for years and know about.

Primarily the committee, on the recommendation of the chairman of the committee, discussed informally, but did not agree upon, a cut of \$42 million. Ten million dollars of this cut was to be from the Alliance for Progress development loan funds and \$32 million from the development loans. This would restore the amount to that provided for in the Senate authorization bill.

Several Senators, including myself, proposed to eliminate \$100 million from the bill. This would make a total cut of \$142 million, which would be a comparatively small percentage.

The committee, by a very close vote, sustained a further cut of \$50 million, making a total of \$92 million. That is the form in which the bill has just been discussed by the acting chairman of the committee, the distinguished Senator from Rhode Island.

My amendments relate to further cuts. One proposed reduction is a \$20 million cut from technical cooperation, or approximately an 8.5-percent cut. There is a proposed reduction of \$20 million from supporting assistance, approximately a 5-percent cut. There is also a proposed reduction of \$10 million from the international programs, or approximately a 7-percent cut.

My amendment would not in any way affect the Alliance for Progress funds, in which so many of us are interested.

I call attention to the fact that, from the information which we have received—and I believe that it is accurate—this bill is overfunded by approximately \$6,800,000 in the economic sections. When we consider this amount, my additional cut would be approximately \$43 million, rather than \$50 million.

I have always supported and been on the generous side concerning foreign aid. I believe that we must cooperate with other countries. In the pending legislation, there was no cut, by either the House or Senate committee, in the amount of funds recommended by the administration with relation to military aid.

One billion, one hundred and seventy million dollars is provided in the bill for military assistance. While the figures are classified, I can assure the Senate that a substantial additional amount of military assistance must be provided if we are to support our services and assist the Vietnamese people in South Vietnam.

In addition—and again the figures are classified—I assure the Senate that we shall have to appropriate a substantial sum, hundreds of millions of dollars, to support our own forces in Vietnam and to increase the amounts of procurement for our forces around the world in order to take care of procurement of materiel that must be sent to Vietnam for our troops.

Mr. President, I proposed this additional small cut in the committee. Because I sincerely believe that we shall have tremendous additional military expenses and responsibilities around the world on an increasing rather than on a decreasing scale, I believe that we should cut a little more from supporting assistance, which is where the cut would pri-

marily be, and from the development grants.

These are small additional cuts, amounting in all to \$50 million, or approximately 1.5 percent of the total economic aid bill in supporting assistance, technical cooperation, and international programs.

I believe that the funds that we would appropriate, if these amendments were agreed to, would be sufficient to carry out our responsibilities under those three programs of our foreign aid in the next fiscal year.

Mr. President, this bill is now \$50 million below the Senate authorization and, if my amendments are agreed to, it will be \$100 million below the Senate authorization. I believe that sufficient funds will be provided to carry out our responsibilities.

I feel confident that our military assistance to Vietnam will be greatly increased in addition to the amount provided in the bill. The increase will be taken care of by means of supplemental appropriations for the support of our own troops and operations, maintenance accounts, procurement accounts for materiel, and all accounts that are necessary to support our forces in Vietnam.

There will be substantial increases in the supplemental budget that will be submitted to us in January.

We have already increased our expenses over there, first by \$700 million and then by an additional \$1.7 billion, so we know that to that extent our original budget figure has been increased; and we know there are going to be further expenditures to carry out our obligations in Vietnam.

Therefore, Mr. President, I ask that my amendments cutting \$50 million more from the figure in the committee report be agreed to.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PASTORE. I yield myself 5 minutes, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PASTORE. I wish to say at the outset that no Senator has been more loyal to this program than my distinguished colleague the senior Senator from Massachusetts. No Senator has higher respect and admiration than have I for his judicious treatment of the matter, especially before the subcommittee, but also before the full committee.

However, the Senator should understand today that, with the exception of the year 1955, when the request was \$11 million less than it is for the fiscal year 1966, this is the smallest amount ever requested by any administration in the entire life of the foreign aid program.

That means what, Mr. President? It means that the Senate committee which is held responsible for scrutinizing and exhaustively investigating every request made has cut the bill down to the marrow of the bone. What we do not want to do today is to get into the marrow, and destroy the program.

Every single item that was presented to our committee was scrutinized and gone over with a fine-tooth comb, and, as a

result, we have cut the House bill by \$92 million. That is quite a feat for the Senate, because the process has usually been the other way. The Senate has always granted reclaims; we have always granted new requests to increase amounts over the amount allowed by the House.

Mr. CARLSON. Will the Senator yield?

Mr. PASTORE. I am happy to yield to the Senator from Kansas.

Mr. CARLSON. I believe the Senator from Rhode Island made the statement that this is the lowest request ever made for this particular program. I happen to be a member of the Senate Foreign Relations Committee and somewhat familiar with our foreign operations.

Would not the Senator agree that the reason for the reduction is not necessarily the way we have closely scrutinized the program, but may very well be because at one time, over 100 nations were receiving our aid, but the number has now decreased to about 76? That should have some effect.

Mr. PASTORE. It will have some effect. But the Senator must realize that when we had some 100 nations, we did not have a situation such as we have experienced within recent weeks between Pakistan and India. We did not have the situation in the Dominican Republic. We did not have the situation in Vietnam. These things, of course, also have an effect.

The argument that is being made here is that we have a tremendous responsibility in Vietnam. No one challenges that statement. We must do everything we possibly can to stop the encroachment of communism anywhere in the world, because we realize that if we do not do it 3,000 or 7,000 miles away from our own shores, the possibility is that we might have to do it on our own threshold. We wish to avert that if we possibly can.

The Senator's proposed cut comes at a dangerous time. Let us remember that within 1 day there has been a cease-fire in India and Pakistan. Much credit for that must go to the international world forum, the United Nations.

What has the Senator from Massachusetts in mind? As I understand, he proposes to take \$20 million out of technical assistance; he proposes taking \$10 million out of the agencies in the United Nations. There we are, taking it out of the United Nations. He also proposes a cut of \$20 million or more out of supporting assistance.

I say to the Senator from Massachusetts that if that is what he is proposing, it should not be done. This is not the time for it. At this time we should be giving to the United Nations and its agencies the morale, the assistance, and the support that is necessary.

I heard only today on television, on the Today program, that because of the splendid achievement in bringing about a cease fire under the auspices of the United Nations, there is a good possibility that some kind of negotiated agreement might be achieved in Vietnam.

We are going to try. Is it not much better to spend a few dollars to stabilize the economies of underprivileged na-

tions, to avert these situations that compel us to spend money by the millions when we begin to send our boys to troubled areas?

Mr. SALTONSTALL. Will the Senator permit a brief observation, or would he prefer not to be interrupted?

Mr. PASTORE. I am always happy to yield to my gracious colleague from Massachusetts.

Mr. SALTONSTALL. I thank the distinguished Senator from Rhode Island.

I point out that in the United Nations, which the Senator was discussing—that is my reason for interrupting him—the Indus Basin Development Fund has \$43 million, and the United Nations Special Assistance and Technical Fund \$65 million, out of the total contribution of \$144 million. My cut, of course, is only \$10 million, which could very well, under present circumstances, come out of the Indus Basin Development Fund.

Mr. PASTORE. I realize that. But all of that was taken into account by the House, by our committee, and by the administration.

I say it is dangerous to do it now. We are being pennywise and pound-foolish. I admit that there are situations throughout the world which are regrettable, which are deeply disappointing. But let us not get into a position where we begin to lament the fact that we bought fire insurance on our house, and feel that we had to pay the premiums and therefore made a bad investment. We are sorry, it would seem, only because the house did not burn down. That is the philosophy we are adopting here.

The money we have spent has represented protection. Not only does it help other nations; it secures America. Yes, there is benevolence in the program. There should be, because America has always had a compassionate heart. But there is the interest of America as well in this program.

Today we are the most affluent society in the world. We have 6 percent of the population. We occupy 7 percent of the land mass of the world. But we have 40 percent of the wealth of the world. If this world falls apart, who has the most to lose? The United States of America. That is the reason why we have this program. It is our insurance.

Of course, it does not work out perfectly. It cannot be humanly perfect. But I am sure my fellow Senators will admit that administratively speaking, it is on a sound basis, the soundest basis it has ever been in the history of the program.

We have as administrator a man by the name of David Bell. He is one of the finest administrators in all our experience. When he comes before the committee, he has already been cautioned to be careful not to ask for one penny more than he can use.

To be more specific, what are the unobligated funds? I understand that the unobligated funds with reference to the technical assistance program are about \$10 million, which is a very small sum when one realizes that after all, it must be committed judiciously. There are no

unobligated funds with reference to the international agencies, if we consider them all together. There is a slight unobligated amount, I think about \$3 million—\$3,812,000—under the supporting assistance programs.

Mr. President, what I am saying is this: I have been selected by the Appropriations Committee to assume the responsibility of chairing these hearings and managing the bill on the floor. In doing so, whether I am a great success or a failure, I bring no bouquets or brickbats back to Rhode Island. This is the highest program—

Mr. SALTONSTALL. Will the Senator yield?

Mr. PASTORE. If I may complete my eloquence. I am at a moment of drama now. Spare me that.

There will be no flags flown for PASTORE because I saved the bill. It is the one job in the Senate that everyone runs away from, but it is the job that needs to be done.

Not long ago there was a meeting at the White House which was attended by Republican and Democratic Senators. We were addressed by the Secretary of State, the Secretary of Defense, and the Representative of the President at the United Nations. We were talked to by the head of the World Bank. We were talked to by almost every high official, including the President of the United States himself.

The President made it abundantly clear that so far as he is concerned, when it comes to spending foreign aid money, he is going to be a hard-nosed negotiator.

I have no fear. I saw Lyndon Johnson operate when he was chairman of subcommittees on the Appropriations Committee. I followed him directly on that committee. I know how careful he has been to make sure that we do not spend any more than we necessarily must. He wants the taxpayers to get 100 pennies' worth for every tax dollar spent. I have great confidence in that man.

Mr. President, the bill has been cut below the figure the President asked. We have already cut it \$92 million. It is not that we have added anything, and now the Senator from Massachusetts [Mr. SALTONSTALL] wishes a cut. We have already cut it by \$92 million, which is \$50 million less than the Senate authorized only a few weeks ago.

I believe that we have gone the limit. Please do not throw out the baby with the bath water.

Mr. ALLOTT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. Mr. President, I yield 3 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER (Mr. MONROE in the chair). The Senator from Colorado is recognized for 8 minutes.

Mr. ALLOTT. Mr. President, I support the amendments now pending before the Senate, despite the eloquence of our distinguished chairman, to whom we all listened on at least two occasions in committee on this question.

We must consider other factors at this time which, in my opinion, are going to be of overwhelming importance.



First, let me state that as everyone knows, I have always supported a foreign assistance program. To me, it is the height of stupidity to say that the President do the job he is supposed to do if he does not have any kind of foreign economic assistance program.

However, I have been concerned for a long time about the size of the program. I have been concerned about falling into the trap of looking for places to spend money.

It is significant that this year we finally dropped an item from the budget called "Surveys of Investment Opportunity." We even had our own people out looking for places to spend money, until this year. Fortunately, that has now been dropped from the budget.

Because I do not wish my position to be misunderstood I will say that I agree with the distinguished chairman of the subcommittee—and I am sure the ranking senior member of the Republicans would also say it is true—that Mr. Bell is an efficient and a good administrator. What I shall have to say will in no sense be a reflection upon him personally, or upon his administration of foreign aid funds, because I believe that he has done a fine job, and I would be remiss in my duty if I did not state that fact.

I ask unanimous consent to have included at the conclusion of my remarks several tables to which I shall refer as I speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALLOTT. Mr. President, the first one I wish to have included is U.S. contributions to the United Nations special programs, shown on page 56 of the hearings.

There is no question that we are spending approximately \$7.5 billion a year for foreign aid. This takes in a great number of programs, as shown in the hearings. That is what we wish to avoid.

On page 65 of the hearings, when I asked Mr. Bell about the \$7.5 billion, he said:

A figure of between \$5 and \$6 billion is not in my opinion a misleading figure.

The only difference between the \$7.5 billion figure and his figure is the non-inclusion of certain items, such as Export-Import Bank loans and Public Law 480 funds.

The second table I should like to have included at the end of my remarks is the table shown on page 67 referring to International Affairs and Finance.

The table on page 63 shows the new foreign aid funds requested in 1965, and it is one that I wish to have included in the RECORD at the conclusion of my remarks, together with subsequent tables.

What will be available this year in funds carried over? Mr. Bell, on page 69 of the hearings, stated that on June 30, 1965, there was \$6.321 billion unexpended, which will be available this year. The table on page 69 shows \$10.6 billion unexpended, and I would like that table also to appear at the conclusion of my remarks. Again, the difference between the figures is the noninclusion of such items as Export-Import Bank loans and Public Law 480 funds.

Even using the lower figures which Mr. Bell used, we have \$9.7 billion available for expenditure this year. It will be at least that much, including the carryover from last year.

As the distinguished Senator from Massachusetts has pointed out, the cuts he has proposed amount to less than 1½ percent. Can any Senator seriously contend that a cut of 1½ percent in foreign aid funds cannot be imposed without crippling the expenditures of those funds and without tying the hands of the President?

I do not believe that such a contention can be successfully made. This is a large amount. It is a large fund. To cut it in these respects, certainly is reasonable.

Where are the proposed cuts?

Twenty million dollars in technical cooperation and development grants.

Ten million dollars in international organizations and programs.

Mr. President, I believe that the proposed cut of \$10 million in international organizations and programs might well be larger than that. This is a wholly reasonable cut.

The proposed cut of \$20 million in supporting assistance makes a total of \$50 million. We have left the Alliance for Progress funds and our Latin American friends in good shape in the bill. The cut which was made in committee for the Alliance for Progress funds was only \$10 million, and that was left in good shape.

By Mr. Bell's own statement, he said that he would prefer that cuts be assessed to the development loans generally; not to the Alliance for Progress loans but, rather, to technical assistance.

Mr. President, there comes a time when we have to look hard at these programs.

The Senator from Massachusetts spoke of problems that we shall have to face to finance the war in Vietnam during the coming year.

I cannot repeat the figures which were given to us, but we are going to spend a great deal of money over there next year.

When the Congress comes back in January, the first thing we are going to be faced with will be a supplemental appropriation bill to finance the war. The figures will astound most people in the United States. Knowing this is coming, it behooves the Senate of the United States to act with every precaution, to act as a reasonable man would and to cut this amount, and thus insure that the program carried on under AID will be a hard program, with no softness in it, and no feathers in it.

I cannot believe—and I am sure no one else will believe—that cutting the amount in this area by a mere 1½ percent is going to hinder the President or tie his hands or keep us from doing a meaningful job in support of our military forces that are now in Vietnam. For those reasons, and for the additional reason that I do not think it can be contended that this cut is sufficient to cripple anyone in the program, and that there is money there sufficient to do the job in support of our purposes and in support of our foreign policy, I hope my colleagues in the Senate will agree to the amendments offered by the Senator from Massachusetts.

#### EXHIBIT 1

#### U.S. contributions to the United Nations special programs, calendar years 1961-65

[In thousands of dollars]

	1961		1962		1963		1964 estimate		1965 estimate	
	Contribution	Percent	Contribution	Percent	Contribution	Percent	Contribution	Percent	Contribution	Percent
Peacekeeping (assessed and voluntary):										
United Nations Emergency Force:										
Assessed.....	6,116		3,122		3,037		5,665		5,485	
Voluntary.....	1,800		1,322		372		872		850	
Subtotal, UNEF.....	7,916	41.66	4,444	45.58	3,409	35.88	6,537	36.82	6,335	36.82
United Nations operation in the Congo:										
Assessed.....	32,204		26,616		10,550		4,787			
Voluntary.....	15,305		11,401		1,768		704			
Subtotal, UNOC.....	47,509	47.51	37,017	46.27	12,318	37.33	5,491	30.17		
United Nations Force in Cyprus <sup>1</sup> (voluntary).....							7,596	46.06	4,000	34.40
Peacekeeping.....	55,425		41,461		15,727		19,624		10,335	

See footnotes at end of table.

## U.S. contributions to the United Nations special programs, calendar years 1961-65—Continued

[In thousands of dollars]

	1961		1962		1963		1964 estimate		1965 estimate	
	Contri- bution	Percent	Contri- bution	Percent	Contri- bution	Percent	Contri- bution	Percent	Contri- bution	Percent
Special programs (voluntary):										
United Nations Children's Fund.....	12,000	46.00	12,000	44.00	12,000	42.00	11,809	40.00	12,000	40.00
U. N. economic assistance to the Congo.....	17,950	(?)	53,000	(?)	29,400	(?)	5,000	(?)	5,000	(?)
U.N. expanded program of technical assist- ance.....	17,627	40.00	19,642	40.00	21,620	40.00	22,509	40.00	22,500	40.00
U.N. Special Fund.....	19,525	40.00	25,111	40.00	30,799	40.00	36,492	40.00	37,500	40.00
U.N./FAO world food program.....					1,200	40.00	2,438	40.00	1,362	40.00
U.N. High Commissioner for refugees pro- gram.....	1,300	33.33	1,200	33.33	700	24.30	600	33.33	600	33.33
U.N. Relief and Works Agency for Palestine refugees in the Near East.....	23,500	68.49	24,700	70.00	24,700	70.00	24,700	70.00	24,700	70.00
WHO—Community water development program.....	175	100.00	400	100.00						
WHO—Malaria eradication program.....	4,000	89.60	2,500	80.89						
WHO—Medical research program.....	500	100.00	500	100.00	500	100.00			100	20.00
Special programs.....	97,577		141,553		120,919		115,548		103,762	
Total.....	153,002		183,014		136,646		135,172		114,097	

<sup>1</sup> The amount shown for 1964 covers the initial 9-month period only. The amount shown for 1965 covers 6 months only, and includes airlift services amounting to \$996,450.

<sup>2</sup> Since July 1960 the United States has provided about 56 percent of the total economic assistance which has been made available to the Congo from both multilateral and bi-lateral sources.

## International affairs and finance

[Fiscal years. In millions]

Program or agency	Payments to the public			Recom- mended new obligational authority for 1966
	1964 actual	1965 estimate	1966 estimate	
Administrative budget funds:				
Conduct of foreign affairs:				
Department of State.....	\$279	\$296	\$306	\$318
U.S. Arms Control and Disarmament Agency.....	6	10	10	12
Tariff Commission.....	3	3	3	4
Foreign Claims Settlement Commission.....	9	37	2	2
Economic and financial programs:				
Agency for International Development:				
Development loans.....	768	862	870	780
Technical cooperation.....	226	190	205	210
Alliance for Progress.....	272	365	398	580
Supporting assistance.....	371	370	390	369
Contingencies and other.....	360	263	237	271
Subtotal, Agency for International Development.....	1,997	2,050	2,100	2,210
International financial institutions:				
Present programs.....	112	62	10	310
Proposed legislation.....		258	25	250
Peace Corps.....	60	80	105	125
Export-Import Bank.....	-702	-645	-480	
Other.....	12	15	21	12
Food for peace <sup>1</sup> .....	1,704	1,661	1,661	1,658
Foreign information and exchange activities:				
U.S. Information Agency.....	161	164	161	173
Department of State.....	46	52	59	62
Subtotal, administrative budget.....	3,687	4,043	3,984	\$ 5,136
Trust funds.....	62	-106	258	\$ 115
Intragovernmental transactions and adjustments for net cash issuances or withdrawals by international financial institu- tions (deduct).....	256	301	89	
Total.....	3,492	3,636	4,153	

## General notes:

1. The estimates in the budget cover requirements under existing legislation and under legislation which is proposed for enactment by the Congress.
2. Unless otherwise indicated, all references to years in this volume are to fiscal years ending June 30.
3. Details in the tables and charts may not add to the totals because of rounding.
4. Pursuant to Public Law 88-638, approved Oct. 8, 1964, the food-for-peace program authorized by Public Law 83-480 is treated in this budget as part of the "International affairs and finance" function. In prior budgets, sales of agricultural commodities under titles I and IV of Public Law 83-480 were included in the function "Agriculture and agricultural resources."

<sup>5</sup> Compares with new obligational authority for 1964 and 1965, as follows:  
Administrative budget funds: 1964, \$4,457,000,000; 1965, \$6,759,000,000.  
Trust funds: 1964, \$57,000,000; 1965, \$32,000,000.

## New foreign aid funds requested in 1965

Foreign assistance requests, as amended (mutual se- curity).....	\$3,459,470,000
Receipts and recoveries from previous credits.....	209,770,000
Military Assistance Advisory Group.....	76,000,000
Export-Import Bank (long- term credits).....	900,000,000
Public Law 480 (agricul- tural commodities).....	1,658,000,000

New foreign aid funds requested in 1965—  
Continued

Inter-American Development Bank (Latin America).....	\$705,880,000
International Development Association (IDA).....	104,000,000
Peace Corps.....	115,000,000
Contributions to interna- tional organizations.....	96,953,000
Permanent construction overseas (military).....	85,986,000

New foreign aid funds requested in 1965—  
Continued

Education (foreign and other students).....	\$69,200,000
Ryukyu Islands.....	14,733,000
Migrants and refugees.....	7,575,000
Atomic Energy Commission (overseas).....	5,900,000
Inter-American Highway (Latin America).....	4,000,000

Total new foreign aid  
requests, first 6  
months of 1965.....

7,512,467,000

Estimated unexpended balances July 30,  
1965

[In thousands]

Foreign aid programs:	
Economic assistance (AID):	
Budgeted programs.....	\$3,956,803
Social Progress Trust Fund <sup>1</sup> .....	321,000
Special revolving funds:	
Advance acquisition of property.....	2,449
Investment guarantee pro- gram.....	281,263
Military assistance program:	
Appropriated funds.....	1,922,909

Total..... 6,484,424

Pay and allowances for U.S. mili-  
tary personnel abroad (military  
assistance advisory group).....

2,000

Export-Import Bank (long-term  
loans).....

1,415,000

Public Law 480 (agricul-  
tural commodities—unshipped  
amounts against titles I, II,  
and IV of the agreements).....

1,107,500

Inter-American Development  
Bank.....

\$ 905,057

International Development Asso-  
ciation (IDA).....

\$ 495,664

Peace Corps.....

77,836

<sup>1</sup> Program administered by the Inter-  
American Development Bank (IDB).

<sup>2</sup> Includes \$405,880,000 for callable capital  
stock.

<sup>3</sup> As of June 30, 1965, the unexpected bal-  
ance for the U.S. Treasury accounts will be  
zero since the last installment of the initial  
subscription to the Association was paid in  
November 1964. U.S. subscriptions become  
merged with resources provided to the As-  
sociation and disbursements cannot be  
identified as to source of funds. This  
amount represents 41.6 percent of the total  
unexpended balance of the IDA.



*Estimated unexpended balances July 30, 1965—Continued*

[In thousands]

Contributions to International Agencies (state)-----	\$1,332
Permanent construction overseas (military)-----	29,500
Education exchange activities (state)-----	47,676
Ryukyu Islands (Army-civil)---	4,385
Migration and refugee assistance-	4,527
Atomic Energy Commission ("Euratom")-----	8,037
Inter-American Highway (Commerce)-----	22,800
Total-----	10,605,738

Mr. SALTONSTALL. Mr. President, does the Senator from Rhode Island [Mr. PASTORE] wish to speak?

Mr. PASTORE. I thought the Senator from South Dakota [Mr. MUNDT] was to speak.

Mr. SALTONSTALL. I know the Senator from South Dakota wishes to speak, but I thought the Senator from Rhode Island might wish to make a few remarks now.

Mr. PASTORE. Mr. President, I will not take much time. Many Members of the Senate are at the White House to say farewell to the Postmaster General, Mr. Gronouski. If the Senator from South Dakota [Mr. MUNDT] wishes to speak, I shall be glad to hear what he says.

Mr. SALTONSTALL. Mr. President, how much time have I on my side?

The PRESIDING OFFICER. The Senator from Massachusetts has 10 minutes remaining.

Mr. PASTORE. Mr. President, how much time have I remaining on my side?

The PRESIDING OFFICER. Sixteen minutes.

Mr. PASTORE. I will give the Senator from South Dakota 6 minutes from the time on my side.

Mr. SALTONSTALL. Mr. President, I yield 8 minutes to the Senator from South Dakota. I understand the Senator from Rhode Island has yielded 6 minutes to him.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 14 minutes.

Mr. MUNDT. Mr. President, it seems to me that the only thing wrong with these amendments, if there is anything wrong with them, is that they represent too modest a reduction in this year's appropriation bill for AID. I honestly believe that, instead of asking for a \$50 million reduction it should have been larger. Considering the \$42 million cut suggested and accepted by the chairman of the committee, the additional \$50 million cut agreed to by the committee of the \$100 million which the Senator from Massachusetts [Mr. SALTONSTALL] and three or four of the rest of us recommended at that time, and the additional \$50 million cut now sponsored on the Senate floor by the same group; namely, Senators SALTONSTALL, YOUNG of North Dakota, MUNDT, HRUSKA, ALLOTT, and CORTON as an additional reduction at this time, it will amount to a total saving of \$142 million out of a multibillion dollar appropriation for AID.

I happen to be one of those who have been struggling with the foreign aid economic assistance program from its inception. The first really exciting congressional hearing in which I participated, was held on H.R. 1776, when I was a Member of the House and a member of the Foreign Affairs Committee of that body, headed at that time by Sol Bloom of New York.

At that time we started down the road which has taken us well over \$100 billion, which has provided economic aid or assistance of some kind or other to well over 100 countries of the world. We apparently continue to act as though the U.S. Congress and the administration had lost all of their genius for new ideas, with very much the same kind of formula of operations with which we started with H.R. 1776, and the Marshall plan, and the successor programs.

I have joined in the amendment to reduce the bill by another \$50 million to bring a total reduction of \$142 million because it appears that that might be the best we would be able to work out in this body with a single successful amendment.

We may of course have an opportunity to work on other cuts later. I see on the floor the Senator from Louisiana [Mr. ELLENDER], who in years before led very informative and determined battles to reduce the bill further. I see no other amendments at the desk. I do not know whether the Senator is going to offer similar amendments. So we must wrestle with the problem in the dimensions in which we find it now.

Normally, in years past, a pretty good screening job on these appropriations was done in the House of Representatives Appropriation Subcommittee under Representative OTTO PASSMAN. In years past the House of Representatives has been successful in paring the legislation and reducing the amount. But something appears to have happened in the House subcommittee. Either there has been a change of faces or philosophy. Representative PASSMAN has tried with his customary vigor, but the results on the House side have been disappointing. So our full committee on this side of the Capitol has a new responsibility in this field. We can no longer depend on the House to reduce these amounts. They will be reduced here or nowhere, because what used to be a good screening process in the House has now become primarily a funnel for transmitting to the Senate almost the full administration request.

I hope Senators will therefore measure up to their responsibilities when they consider this annual appropriation, which apparently has not been as carefully scrutinized and as judiciously reduced by the House as was the case in the past, and that we can bring about at least a total reduction of \$142 million. If we do so, we shall be serving America well.

In the first place, this program of reduction is important from the standpoint of selectivity. We tried hard in the Foreign Relations Committee, the legislative committee which brings the foreign aid authorization bill to the floor, and upon

which the Appropriations Committee has to work, to provide some selectivity in administering these funds. In the original bill as it passed the Senate there was a terminal date 2 years in advance. We had provided a recommendation that when a new program was proposed it could not include more than 70 countries, instead of nearly 100.

Our recommendation included the appointment of a high-level commission to take a new look at America's responsibility in this entire area of foreign assistance and that was eliminated again by House action responding to the suggestions of the administration.

So now, unless this body and the Committee on Appropriations begin to tailor this financial load to actual needs, we are going to be found guilty of malfeasance of our responsibility.

The first reason we suggest this cut, as I said, is selectivity. When there are fewer dollars with which to operate, the areas which need it are more carefully selected. It is not scattered around willy-nilly, where there are so many countries and everybody wants a part of it. The applicant has to be told to slow down because we are running out of money for this legislation.

Second, it would provide a greater degree of efficiency in this program. No Senator will stand in the Senate and say that the program has been efficiently operated. There are too many examples of inefficiency, such as concrete roads built to nowhere, highways in areas which lack automobiles, and electrical refrigerators in areas which have no electricity. There are many mistakes.

I suppose our genial chairman would say that we cannot help but make mistakes in a program such as this. I agree. I am not agitating for a complete ending of the program and I am not scalping any public official. I point out that the program will have to operate more efficiently.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. PASTORE. I am personally willing to admit that mistakes have been made, but I made the statement that I do not believe we have ever had a man at the head of this program who had more administrative and conscientious ability than David Bell.

All that the Senator from Rhode Island said was, "Let us not throw out the baby with the bath water."

I hope that because we made some mistakes in this program in the past that we do not take it out on this program and the foreign assistance program.

Mr. MUNDT. I have admiration for David Bell. I recognize that he is trying to do his best. I recognize in the past there have been great manifestations of inefficiency and that they are still cropping up.

We could not expect him to deal with them all, but he could deal with them more directly and effectively if he were given less money with which to work.

The Senator from Rhode Island talked about throwing out the baby with the

bath water. I am not even throwing out the bath water.

We could be working on reductions of \$300 million or \$500 million but we are temperate individuals and we have to work in areas of practicality. We simply ask the Senate to make this additional reduction so we can get better results with less money.

We are merely trying to reduce this bill enough to save important dollars for our taxpayers and to incite some additional efficiency in the program.

One of the great weaknesses of the program now is that foreign leaders can see astronomical figures appropriated. They can see what is written in black and white. They figure they can come here, tin cup in hand, and say, "We want our share of the dollars."

But if Mr. Bell were able to say, "The Congress is cutting us back; we did not get all we asked for; we must limit some programs in some areas," they will have to make their request pretty persuasive or will learn that we are not going to be able to provide the money.

There must be stimulated effectiveness, along with efficiency, and along with selectivity, in a program which for too long has operated with guidelines which are too vague, too ambiguous, and too ineffective.

In a way, Uncle Sam has become a sort of quack doctor operating on the global economy and political situation; a sort of economic and political quack doctor who would be ruled out of the apothecary arts in this country, if he provided the same kind of pill for every ailment of every individual in any area; a sort of quack doctor approach with the same prescription, "Dish out the dollars" for all problems abroad. It is the same prescription for every problem of every country, be it a young country suffering from problems of youth and adolescence, or some archaic area suffering from the aches and pains of old age. It is the same pill, the same prescription, the same kind of approach, which worked pretty well a long time ago in Greece and Turkey. They were given the aid and they stood up against communism. But that some formula will not work in every country and in the curing of every problem.

Sometimes it becomes counterproductive; we also can bring disturbance, and distress with our doctor and our dollars.

We are in trouble with Sukarno. We have a great deal of equipment there. We help him with the problems there and then he gives his neighbors fear from his aggressive actions. Then, both the Pakistanians and Indians start shooting at each other with American provided arms and ammunition.

When they ran out of American ammunition and supplies in these two countries they were amenable to reason. It is a good thing we did not give them a couple billion dollars worth of ammunition or they would still be fighting.

This creates problems. It has been the same old procedure too long. The same old prescription will not work too long. That is why our legislative committee

said, "Let us take another look at it." Let us terminate this AID program in 2 years and take a new look at our responsibilities.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. I request 5 minutes on the bill.

Mr. SALTONSTALL. How much time is remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes remaining on the amendments.

Mr. SALTONSTALL. I yield to the Senator from South Dakota 2 minutes on the amendments and 3 minutes on the bill.

Mr. MUNDT. I believe it is important that we give consideration to a revamping of this program. We cannot abandon our international responsibility. Nobody is advocating that. A reduction of another \$50 million would bring dividends in terms of its psychological impact, far beyond the money it would save in terms of actual dollars, because it would indicate a desire to revamp and reorganize a program that has gone into over a hundred billion dollars. They are still busy spending money they do not have. It is time to prepare new plans, new approaches, and ideas.

They have neither the time nor the inclination to properly train the people in charge of the program overseas. They object to some kind of American institutional training, so that we could send professionals over there, to compete with the highly trained professional Communists on the other side.

We send starry-eyed idealists. We send high-minded amateurs. We send people whose minds have not been tutored and trained, who have pockets full of gold out into the world trying to win the war for freedom in the cold war.

Perhaps if we sent people with fewer dollars to spend, they might be better trained and better organized.

A great many things could be done to improve the program.

I am one of the coauthors of Public Law 480, the food-for-peace program, passed under the chairmanship of our good friend from Louisiana [Mr. ELLENBER] during the Eisenhower administration. It was a good piece of legislation when it was passed. It has given a great deal of assistance to people abroad. It has served America and the free world well. But it could and should do better.

That program needs some new concepts. We must not operate it as though it were a part of a free pancake day at the county fair, and call out to the world, "Come and get it."

Our surplus food should be judiciously utilized in areas where it will do the most good. It should be used to influence human behavior, politically, as well as helping the physical well-being of people, people who are interested in being not only strengthened and well fed, but also want to be politically free.

We do not serve too well the cause of freedom by strengthening the bodies of

individuals only to have them become slaves in the Communist army.

There, too, we need some guidance, some new thinking.

There is too much of a tendency, because we have surplus food, to dispense it without careful planning and without determining in advance the results we desire to obtain.

I should like to see additional and larger amounts of our surplus foods and fibers used to help to make the world a better place in which to live. All these reforms hinge upon the determination of whether this body and Congress as a whole desire to analyze, study, and reduce extravagant spending to the point that we will compel, along with belt-tightening, a little studious research, re-planning, and revamping of the approach. We cannot abandon our responsibilities, but we shall have to improve our operation so that we may start winning victories in the cold war.

This additional \$50 million of savings, if the Senate will approve it, may well help to push those in power in the direction of doing a better job of American leadership in the highly complicated business of waging a cold war.

Mr. SALTONSTALL. Mr. President, I yield myself 1 minute.

The amendment does not take 1 cent away from the Alliance for Progress. The amendment does not take 1 cent off the \$1.17 billion provided for military assistance. I believe and am confident that we shall have to ask for many hundreds of millions of dollars more to provide military assistance and for direct military expenditures to fulfill our obligations in South Vietnam.

My amendment takes 1.5 percent from the economic programs. It is cut down by cutting \$20 million from technical cooperation, \$10 million from international organizations, and \$20 million from support assistance, or approximately 2 percent out of a \$3 billion bill.

I hope the amendment, which was almost adopted in committee, will be agreed to by the Senate.

Mr. PASTORE. Mr. President, I shall make a short observation. It is my understanding that I have 10 minutes remaining. I shall speak briefly and then yield back the remainder of my time.

I wish to impress upon the Senate that the committee carefully scrutinized every item contained in the bill. The Senate, beginning on June 7 and ending on June 14, took a number of votes, and after prolonged debate passed a bill providing \$50 million more than is provided in the bill before the Senate today.

The argument of the Senator from Rhode Island is that the bill has been cut as far as we think it may well be cut and preserve the security of this Nation. That is our fundamental and sincere conviction.

The argument that the additional \$50 million is only a bare percentage of the total amount is fallacious. If that logic is used, why not cut the amount by \$500 million? Why not by \$1 billion? Why not remove the entire amount?



The question is, Is this program essential to our posture in the world today? If it is realistic, how far should we go in appropriating money? The idea that to cut off a man's arm makes the other arm stronger does not appeal to the Senator from Rhode Island. The suggestion that if the guts are cut out of a bill, the administration of the program will be improved, does not appeal to me. To my way of thinking, that is not logical.

This bill is \$50 million less than the amount that we authorized in the Senate only a few months ago. The bill was cut by the House under the amount that was agreed upon in conference and the Senate committee has reduced the House bill further by \$92 million.

The argument that because OTTO PASSMAN's views do not prevail in the House subcommittee, the bill now before us is ruinous, does not appeal to me. To begin with, Mr. PASSMAN does not believe in foreign aid. I say that if Senators do not believe in foreign aid, they should vote against the bill.

The committee labored and labored. We have cut where we thought we could cut judiciously. We have reduced the amount below the figure that came to us from the House. It is \$50 million less than the bill that was passed only a short while ago after prolonged debate.

I say that a further cut of \$50 million is absolutely unnecessary. I hope the Senate will defeat the amendments.

Mr. HOLLAND. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. HOLLAND. I agree completely with the position of the Senator from Rhode Island. Congress only recently passed the authorization bill. That bill represented the consolidated opinion of the two Houses of Congress. We have now moved to a position in appropriations that is well under the amount of the authorization.

We know that the world is in a confused condition. We have seen only recently the benefits of this program in various parts of the world, where at least we appear to have strong influence in preserving the peace. Some of that influence, I believe, is chargeable to our long continued effort in the field of judiciously providing foreign assistance.

Of course, mistakes have been made, but I do not see how a better job could possibly have been done than has been done after the months of effort in committee. To rewrite the bill on the floor of the Senate would be a mistake. I therefore strongly back the position of the Senator from Rhode Island.

Mr. PASTORE. I thank the distinguished Senator from Florida. I shall end with this observation: The problem of Kashmir is 17 years old. The underlying cause of the problem in Kashmir is older than the life of this Republic. It is steeped in religious hatred and may well never be solved. Who knows? But it was because we were kind and benevolent to Pakistan and provided her with substantial aid, beginning in 1946, and because we were good and benevolent to the people of India, that the lines of

communication were kept open; and now, today, there is a cease-fire agreement. How different it could have been. Who knows what might have happened?

We talk about Vietnam as our responsibility. I am told that it will cost the United States \$11 billion to carry on the war in Vietnam next year, unless it is resolved soon.

Who knows whether the settlement of the India-Pakistan dispute may not be the spark to ignite a beacon light for the United Nations to bring about a negotiated peace in Vietnam?

Yes, you may say that we shovel out our aid by the bushful when we vote as we shall on this bill. But the world is in ferment. Its crises have deep roots. They are older than we are as a republic. The idea that this program is a failure because there are still sensitive spots in the world does not appeal to the Senator from Rhode Island.

I repeat: Do not cry over the premiums paid to buy fire insurance even if the house does not burn down. The United States is still intact. Ours is still the most affluent society in the world. If to preserve the security of a gross national product of \$665 billion means to spend in foreign aid and military assistance some \$3 billion, what better insurance can we buy to keep our society free and affluent?

I yield back the remainder of my time. Mr. SALTONSTALL. Mr. President, no one is more desirous of seeing a peaceful settlement to the Kashmir conflict than is the senior Senator from Massachusetts.

The \$50 million for economic loans—not grants—will not interfere in any way, in my judgment, with our ability to solve the serious problem to which the Senator has referred.

Mr. President, I yield back the remainder of my time.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. All time having been yielded back, the question is on agreeing to the amendments offered by the senior Senator from Massachusetts [Mr. SALTONSTALL] on behalf of himself and other Senators. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Florida [Mr. SMATHERS], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. DODD], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from Maine [Mr. MUSKIE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Florida [Mr. SMATHERS], and the Senator from Connecticut [Mr. DODD] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 45, nays 35, as follows:

#### [No. 267 Leg.]

#### YEAS—45

Alken	Ervin	Mundt
Allott	Fannin	Murphy
Bible	Fong	Neuberger
Boggs	Gruening	Prouty
Burdick	Harris	Randolph
Byrd, Va.	Hickenlooper	Robertson
Byrd, W. Va.	Hruska	Russell, S.C.
Cannon	Jordan, N.C.	Russell, Ga.
Carlson	Jordan, Idaho	Saltonstall
Cooper	Kuchel	Smith
Cotton	Lausche	Symington
Dirksen	McClellan	Talmadge
Dominick	Miller	Thurmond
Eastland	Morse	Williams, Del.
Ellender	Morton	Young, N. Dak.

#### NAYS—35

Bartlett	Inouye	Montoya
Bass	Jackson	Moss
Bayh	Javits	Nelson
Case	Long, Mo.	Pastore
Church	Long, La.	Pell
Clark	Magnuson	Proxmire
Douglas	Mansfield	Ribicoff
Hart	McGee	Tydings
Hartke	McGovern	Williams, N.J.
Hayden	McNamara	Yarborough
Hill	Metcalf	Young, Ohio
Holland	Monroney	

#### NOT VOTING—20

Anderson	Kennedy, Mass.	Scott
Bennett	Kennedy, N.Y.	Simpson
Brewster	McCarthy	Smathers
Curtis	McIntyre	Sparkman
Dodd	Mondale	Stennis
Fulbright	Muskie	Tower
Gore	Pearson	

So the amendments offered by Mr. SALTONSTALL and other Senators were agreed to.

Mr. SALTONSTALL. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. AIKEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD subsequently said:

Mr. President, on the earlier vote on the amendments offered by the senior Senator from Massachusetts [Mr. SALTONSTALL], I regret to state that I was in the cloakroom when the vote was taken, did not hear the bell, and was not

notified. Had I been present, I should have voted "nay."

#### APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to Public Law 84-689, appoints Senator FRANK E. MOSS, of Utah, to be an alternate delegate to the 11th NATO Parliamentary Conference, to be held in New York City between October 4-9, 1965.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 2127) to amend title 38, United States Code, in order to provide special indemnity insurance for members of the Armed Forces serving in combat zones, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8283) to expand the war on poverty and enhance the effectiveness of programs under the Economic Opportunity Act of 1964.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 30. An act to provide for participation of the United States in the Inter-American Cultural and Trade Center in Dade County, Fla., and for other purposes; and

H.R. 9247. An act to provide for participation of the United States in the HemisFair 1968 exposition to be held at San Antonio, Tex., in 1968, and for other purposes.

#### HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles and referred or placed on the calendar, as follows:

H.R. 30. An act to provide for participation of the United States in the Inter-American Cultural and Trade Center in Dade County, Fla., and for other purposes; to the Committee on Foreign Relations.

H.R. 9247. An act to provide for participation of the United States in the HemisFair 1968 exposition to be held at San Antonio, Tex., in 1968, and for other purposes; placed on the calendar.

#### FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MORSE. Mr. President, I send to the desk an amendment and ask that it be read.

The VICE PRESIDENT. The amendment will be stated.

The legislative clerk read as follows:

On page 4, line 25, strike out "\$1,170,000,000" and insert in lieu thereof: "\$1,145,000,000: *Provided*, That not to exceed \$52,264,000 of this appropriation shall be available for military assistance to Latin American countries".

The VICE PRESIDENT. How much time does the Senator yield?

Mr. MORSE. I yield myself such time as I may need.

Mr. President, in considering this appropriation bill, I would have the Senate keep in mind two factors that bear directly upon the amount of money involved:

First. That with the carryovers available from previous years, the funds the bill makes available for purposes of foreign aid are not the \$3.2 billion of new obligatory authority, but \$3.5 billion; and

Second. That with all the various foreign aid functions that have been funded separately, the total being requested for the forthcoming fiscal year is not the \$3.5 billion in the foreign aid request, but a grand total of \$7.5 billion.

In particular, I would call attention to the fact that for many years, the entire aid program specifically for Latin America was included in the foreign aid bill. Now, we have provided separate funds for the Inter-American Development Bank, thus removing a very large segment of Latin American aid from the traditional foreign aid bill.

So there is no genuine comfort in the thought that this bill carries only \$3.2 billion. That is only one drop in the bucket of foreign aid Congress is furnishing.

There is no better analysis of the failures and shortcomings of the current aid program that I could present that would improve on the one submitted in the House of Representatives in the minority views of the House Appropriations Committee. It states, and summarizes, the basic objections to the program which should have been corrected by Congress many years ago. I quote:

Our examination of foreign aid spending requests for fiscal 1966 reveals that responsible cuts can be made without endangering U.S. foreign policy or its commitments to other nations. The American people are entitled to know, and this report outlines in considerable detail the following:

1. The magnitude of foreign aid spending is not fully known by the average taxpayer. Total requests for foreign assistance purposes have been submitted to Congress this year amounting to over \$7½ billion.

2. The unexpended balance (pipeline) as of June 30, 1965, is estimated to be over \$10.6 billion.

3. Our commercial trade balance with aid-recipient countries has dropped sharply since 1960. The Latin America commercial trade balance is particularly alarming.

Mr. President, on the Senate's time, I pause for order in the Senate.

The PRESIDING OFFICER (Mr. MONTGOMERY in the chair). The Senate will be in order.

Mr. MORSE [continuing the quotation]:

4. There is a definite relationship between the gold outflow and the Federal Government's programs of spending in foreign countries.

5. We are frequently told not to worry about the dollars spent for foreign aid because most of them are spent in this country. Close examination reveals we are talking about only total commodity purchases. For example, in fiscal year 1963, \$855 million was spent on commodities out of a total of foreign grants and loans of \$5.17 billion.

6. There is too much flexibility given AID in the use of appropriated funds with a lack of congressional control over foreign aid projects.

7. We are squandering too much of our national resources in what is vaguely called the "national interest" without a close examination by the Congress and the people of this country.

8. There is strong evidence of a lack of concern for congressional intent specifically expressed in some instances in the hearings and sometimes in the foreign aid law itself.

Greater emphasis must be placed upon (1) energizing and encouraging private development resources of our own and in the developing countries; (2) initiating projects of a grassroots nature such as feeding the hungry and education programs in which there are assurances of reaching the mass of people.

The minority views are devoted to an examination of those points. They are points that have never been answered nor corrected by the majority which continues to pass the same defective aid program year after year. They are the reasons why public confidence in foreign aid is almost nonexistent.

I ask unanimous consent that the minority views, and the additional views of Mr. CONTE and Mr. ROBISON, from the House Appropriations Committee, be printed in full at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. The amazing thing about the debate and action on foreign aid year after year is the oblivion of the majority which supports this program to the concrete instances where it has failed utterly to do what is claimed for it in the congressional debates. What more can be said about the value of foreign aid to the United States after the debacle between two recipients of huge amounts of aid, India and Pakistan? Only Korea and Taiwan of the underdeveloped world have received more aid from us than have these two countries. They have received all this economic and military aid on the basis of their serving as a bulwark against Communist China.

Instead, they used the hundreds of millions of dollars worth of military equipment we had given them against each other. By so doing, they not only weakened themselves, and thus undermined the value of our even more extensive economic aid, but they have gravely weakened the peace and stability of all of non-Communist Asia. The net result of our shortsighted aid policy to these two countries has been a considerable gain for Communist China. Communist



China is the winner of the India-Pakistani war, and she is the chief beneficiary, to date, of our policy of indiscriminate military aid to two hostile neighbors.

That is why I have said that our current aid program is making hay for the Communists, not for the United States.

Yet the Congress refuses to face these facts. The Congress refuses to admit that much of the basis for aid simply is not supported by what is really going on in the world. We prefer to live in the dream world conjured up for us by the aid agency, the Pentagon, and the Department of State.

Take the theory that military aid and supporting assistance are a substitute for U.S. soldiers. Nowhere have we sent more military aid and supporting assistance, relative to population, than to South Vietnam. It has not replaced American soldiers. American soldiers have had to go over to Vietnam to try to retrieve the damage done by years of indiscriminate U.S. aid that did little more than line the pockets of a few corruptionists in the South Vietnam Government. In the case of military aid, we have sent our soldiers over there to fight against the very same weapons we have been sending to the South Vietnam Government for 10 years.

The same situation is going to prevail in Thailand. Thailand is never going to save itself with American military aid and budget support. If our present policy persists, and events continue unaltered on their present course, American soldiers are going to have to be sent to Thailand, too, to undo the mistakes of our misguided aid policy in that country, for in Thailand, too, we are sponsoring corruptionists and furnishing them with the goods and cash that is making them the ideal target for unrest and resentment among the people.

And never will the fantasies of the military aid advocates be disproved more completely than they have been disproved in the Dominican Republic. In the year and a quarter that we sent aid to the junta headed by Donald Reid Cabral, it totaled \$61 million, for one of the largest per capita aid programs anywhere in the world. A great deal of it was military aid. Did it stabilize the country? Did it contribute to internal security? Did it relieve American soldiers of the task of policing the hemisphere, as we police the entire world?

Not at all. The heavy military program we sponsored in the Dominican Republic helped fan the flames of resentment against the junta. When the opportunity presented itself, large numbers of the guns and even the tanks we had furnished the Dominican armed forces were turned over to the rebels. Our weapons were turned on the people they were supposed to keep in power. And once again, more than 20,000 American troops had to be sent to the country in order to retrieve what we believed were American security interests. When they got there, they faced the very guns and weapons that Congress and the administration, in their ignorance, had

furnished so freely to a government that should never have had them.

It is a conservative estimate that more than half of what we are currently furnishing to Latin American military establishments is in the same class with that we furnished to the Dominican Republic. In many cases, it is helping to create a military establishment that becomes only a target for all those among the masses of the people who seek far-reaching changes in their economic conditions. Only luck, not wisdom, will save the United States from facing our own guns in Latin America many times over, in country after country.

That is why I have an amendment putting a ceiling of \$52,264,000 on the total of military aid to the hemisphere. This ceiling applies to all military programs, both grant equipment and training.

As chairman of the Subcommittee on American Republics Affairs, I wish to provide adequate military aid to Latin American countries, in order to keep down Communist coups. But they do not need the kind or extent of military aid we are sending to Latin America to keep down Communist coups. They do not need tanks, heavy materiel, or heavy equipment. They do not need submarines, or jet fighters, or hardware in large amounts to keep down Communist coups. What that kind of military aid does is build up military oligarchies and a military class throughout Latin America. That military class, in country after country, is keeping down freedom and playing directly into the hands of the Communists. The military aid we send should be military aid which is usable by free governments, in order to help preserve the freedom of their governments against potential Communist coups. Some of the governments of this hemisphere should have little or no military aid from us at all.

Mr. President, my amendment provides for a reduction of \$25 million in what is programed for hemisphere grants and training, as outlined in the reports of the House and Senate Appropriations Committee.

I could cite no better endorsement, justification, and explanation of my amendment than the paragraphs submitted to the House by Representatives CONTE and ROBISON, when they said:

In a new or reinforced program of selectivity in our assistance efforts, we recommend that one area of emphasis be Latin America. The potential and the need for development there have been long overlooked and short-changed. There are pressing needs for agrarian and tax reform in Latin America.

And I would say parenthetically that our military aid is doing much to thwart the agrarian and tax reform without which turmoil in Latin America is going to get much worse—

We are just beginning to see the results of the progress that has been made possible under the Alliance for Progress. Latin America is truly on the march and we must insure that momentum is maintained. We can do so by more selective and intensified economic assistance efforts.

#### NEED FOR A NEW APPROACH TO MILITARY ASSISTANCE FOR LATIN AMERICA

We do not support the continued high level of military assistance to Latin America. The appropriation request for this funding category has systematically increased with each passing year despite a materiel limitation of \$55 million. We are not convinced that, in every instance, these funds are applied only toward the intended goal—the maintenance of the internal security of the individual Latin American countries.

These funds could well be an enabling factor in any Latin American country's build-up of military capabilities for external aggression and in many of the coups that have taken place in Latin America.

We recommend that early and serious consideration be given to a regional military defense organization for Latin America similar to NATO. The value of such a regional organization would be manifold. It would enable us to eliminate or curtail the grants of military assistance to individual Latin American countries. It would provide an identification of interest and purpose, common to all of the Latin American countries, for the defense of Latin America.

It is essential that these nations realize that the Communist threat affects all Latin American nations, not just a few. While these countries are, of course, independent entities, the successful resistance of any one country to this threat may well be dependent upon the combined efforts of all, singularly and forcefully brought to bear on the common foe.

We have had the lesson of India and Pakistan, the lesson of Greece and Turkey, and the lesson of the Dominican Republic. Yet like the Bourbons, the American overseas aid programs forget nothing, and learn nothing. Congress and the administration have learned nothing from the experience with aid of the last 2 years. But I think the American people are learning a lot. It may be that the only history we will ever learn from will be the lesson taught at the ballot box.

Mr. President, I offer my amendment because I am satisfied that it is a sound amendment. I offer it because I believe it will greatly strengthen the progress of economic aid in Latin America. The great need for strengthening economic programs in Latin America is to reduce the military aid program. I have stated many times in committee, and on the floor of the Senate, that I would be willing, for every dollar we take away from military aid, to give \$2 for economic aid that would help raise the standard of living of the people in Latin America.

Now, my amendment offers the Senate the opportunity to reduce by \$25 million the military aid to Latin America. I am satisfied that by so doing we would strengthen the ability of Latin America to protect itself internally, country by country, because we would put the cash where it belongs, into the kind of military aid necessary to meet threats of Communist coups.

#### EXHIBIT 1 MINORITY VIEWS

For many years some very basic reasons have been presented to the Congress setting forth the need for redirecting our whole foreign aid program. American taxpayers in growing numbers have expressed dissatisfaction with many aspects of the foreign aid

program. It is to be hoped that a reshaping of this program soon will be implemented.

The Congress and the American people have the right to know the magnitude of U.S. programs of foreign assistance. It might be said that foreign aid comes in "assorted sizes and shapes." This appropriations bill calls for over \$3 billion in expenditures. But foreign aid is scattered throughout 10 bills presented to the Congress. Total requests of approximately \$7.5 billion for foreign assistance purposes have been submitted.

We believe that further substantial reductions can and should be made in the present programming of the 1966 foreign assistance appropriations bill. We certainly do not advocate the denial of any necessary military or economic assistance to the South Vietnamese which would help hasten a Communist defeat and speed the return of U.S. servicemen from that theater of war.

However, in view of the war in Vietnam and the growing American commitment there, it is incumbent upon the administration and the Congress to review every program, both foreign and domestic, and either postpone or eliminate unnecessary spending.

Our examination of foreign aid spending requests for fiscal 1966 reveals that responsible cuts can be made without endangering U.S. foreign policy or its commitments to other nations. The American people are entitled to know, and this report outlines in considerable detail the following:

1. The magnitude of foreign aid spending is not fully known by the average taxpayer. Total requests for foreign assistance purposes have been submitted to Congress this year amounting to over \$7½ billion.

2. The unexpended balance (pipeline) as of June 30, 1965, is estimated to be over \$10.6 billion.

3. Our commercial trade balance with aid-recipient countries has dropped sharply since 1960. The Latin America commercial trade balance is particularly alarming.

4. There is a definite relationship between the gold outflow and the Federal Government's programs of spending in foreign countries.

5. We are frequently told not to worry about the dollars spent for foreign aid because most of them are spent in this country. Close examination reveals we are talking about only total commodity purchases. For example, in fiscal year 1963, \$855 million was spent on commodities out of a total of foreign grants and loans of \$5.17 billion.

6. There is too much flexibility given AID in the use of appropriated funds with a lack of congressional control over foreign aid projects.

7. We are squandering too much of our national resources in what is vaguely called the "national interest" without a close examination by the Congress and the people of this country.

8. There is strong evidence of a lack of concern for congressional intent specifically expressed in some instances in the hearings and sometimes in the foreign aid law itself.

Greater emphasis must be placed upon (1) energizing and encouraging private development resources of our own and in the developing countries; (2) initiating projects of a grassroots nature such as feeding the hungry and education programs in which there are assurances of reaching the mass of people.

#### MAGNITUDE OF FOREIGN AID PROGRAM

There is an apparent lack of knowledge on the part of the average taxpayer on the magnitude of our total foreign spending. During the subcommittee meetings the Honorable OTTO PASSMAN, chairman of the Subcommittee on Foreign Operations, presented charts and other information which are based on the hearings held this year by the subcommittee. This information should be

made known to the Congress and the people of the country who have the right and are entitled to know the facts as presented by the informational charts and tables which follow.

The dollar figure most widely quoted for the cost of the foreign assistance program is \$3.4 billion. However, the President is requesting during this session of the Congress approximately \$7.5 billion for foreign assistance purposes. The table below indicates the various foreign assistance programs contained in the President's amended January budget:

#### New foreign aid funds requested in 1965

1. Foreign assistance requests, as amended (mutual security)-----	\$3,459,470,000
2. Receipts and recoveries from previous credits-----	209,770,000
3. Military Assistance Advisory Group-----	76,000,000
4. Export-Import Bank (long-term credits)-----	900,000,000
5. Public Law 480 (agricultural commodities)-----	1,658,000,000
6. Inter-American Development Bank (Latin America)-----	705,880,000
7. International Development Association (IDA)-----	104,000,000
8. Peace Corps-----	115,000,000
9. Contributions to international organizations-----	96,953,000
10. Permanent construction overseas (military)-----	85,986,000
11. Education (foreign and other students)-----	69,200,000
12. Ryukyu Islands-----	14,733,000
13. Migrants and refugees-----	7,575,000
14. Atomic Energy Commission (overseas)-----	5,900,000
15. Inter-American Highway (Latin America)-----	4,000,000

Total new foreign aid requests, first 6 months of 1965.. 7,512,467,000

The unexpended balance as of June 30, 1965, for the above-named programs or activities is estimated to be \$10,605,738,000. This is commonly referred to as the foreign aid "pipeline."

Complaints about the bottomless pipeline of unspent money and unobligated authority nearly always fall on deaf ears. However, this report should at least mention the Congress has approved virtually all of the \$7.5 billion requested for the foreign aid program as indicated in the foregoing table and thus approximately \$7 billion should be added to the \$10.6 billion in the pipeline.

We want to emphasize that this appropriation bill does not contain the funds for Public Law 480 (agricultural commodities), \$1.7 billion; military assistance advisory group, \$76 million; contributions to international organizations, \$97 million; permanent construction overseas (military), \$86 million; education, \$69.2 million; Atomic Energy Commission (overseas), \$5.9 million; or Inter-American Highway, \$4 million.

At one point in the hearings the contention was made and not challenged that 53 international groups or subgroups are engaged in some form of activity which contributes to our total foreign aid effort.

We are helping 98 countries and 4 territories in fiscal year 1966. We think the American people ought to insist on a continuing objective analysis of the so-called "barebones" foreign assistance program.

#### U.S. COMMERCIAL TRADE BALANCE WITH AID-RECIPIENT COUNTRIES

Annually the committee has been told that the aid program helps develop markets for

our exports. This year Secretary Rusk testified:

"There are substantial future markets in the developing nations. As development picks up momentum, the peoples of these nations will be able to buy more from us and from other countries. The less developed countries are determined to grow—to buy more and to sell more. The United States can reasonably expect to get its fair share of these expanding markets. In addition, as these economies grow, there will be an increase in returns on growing American private investment in the less developed areas. Thus, foreign aid is a minor adverse factor in the current balance-of-payments problems; it is a strong positive factor over the long run."

It is important that the commercial trade balance be considered. Like a checking account, the balance in black is the most important factor. It is encouraging to make large deposits but if we make larger withdrawals, the balance goes into the red and we are in trouble.

The subcommittee chairman converted data obtained during the hearings into a worldwide graph and four regional graphs which portray our commercial trade balance which is the net of U.S. exports (excluding economic assistance-financed exports) and U.S. imports.

Inasmuch as we have been extending aid for many years—some of the countries included in the graph have been in the program since the Marshall plan era—it would appear, if foreign aid opens the way for U.S. trade, that our commercial trade balance should be on a rising trend. Instead, our commercial trade balance is on a very significant downward glide, as evidenced in the worldwide graph.

It is clearly obvious from the first graph that our commercial trade balance with aid-recipient countries has dropped sharply since 1960 and, of the four regional graphs, the only area that seems to indicate a rising trend is the Far East (excluding Japan) where the commercial trade balance has increased from —\$209 million in 1959 to +\$7 million in 1963. The Latin America commercial trade balance is alarming as our imports from Latin America exceeded our exports by \$159 million when we started the Alliance for Progress program in 1960. In 1963 our imports from Latin America exceeded our exports by \$670 million.

#### PURCHASE OF U.S. GOLD BY FOREIGN COUNTRIES RECEIVING U.S. AID

We are concerned about the outflow of gold. It will be argued by some that it has no bearing, but we feel there has been a definite relationship between the gold outflow and the Federal Government's programs of spending in foreign countries—in other programs as well as the part of the foreign aid program which is now under consideration.

We are frequently told not to worry about the dollars spent for foreign aid—that most of them are spent in this country. Former Treasury Secretary Dillon said at a White House conference on February 18, 1965, "Today a full 85 percent of our foreign aid commitments go for American goods and services."

During our hearings we received testimony that the 85 percent applies only to total commodity purchases—in fiscal year 1963, \$855 million was spent on commodities out of a total of foreign grants and loans of \$5.17 billion. The rest was spent for overseas products, for foreign labor and for the almost 3,500 personnel who were stationed



overseas to administer aid. In 1963, 78 percent of the aid which was spent for commodities was spent in the United States, but for the total program of grants and loans only 16.5 percent was spent in this country. In 1964 the percentage of commodity purchases made in this country was 87 percent—but this was only 18.5 percent of the total, or less than \$1 billion. The profit on \$1 billion in sales is probably between \$100 and

\$150 million (10 to 15 percent)—a high cost to all the taxpayers in addition to the harm to the balance of payments for the \$100 million profit.

The following table is an updating of the one included in the committee report last year and reflects the gold purchases of 57 countries who have received military and/or economic assistance during the 7-year period, 1958-64:

#### Net sales of U.S. gold to foreign aid program recipients

[In millions of dollars—Negative figures represent net sales by the United States; positive figures represent net purchases]

Country	1958	1959	1960	1961	1962	1963	1964	Total
Algeria						-15.0		-15.0
Argentina	+67.2		-60.0	-90.0	+85.0	-30.0		-17.8
Austria	-84.2	-82.7	-1.1		-142.5	-32.1	-55.4	-398.0
Belgium	-329.4	-38.5	-140.9	-144.4	-63.0		-40.1	-786.3
Burma			-3.8		-20.9			-24.7
Cambodia			-12.0	-3.1	-1.7	+3.2		-13.6
Cameroon Republic						-1.9		-1.9
Central African Republic						-7		-7
Ceylon		-7.5						-7.5
Chad						-7		-7
Chile	+3.0	-1.3	-2.0	-6.6			-2.3	-9.2
Congo (Leopoldville)						-3.1	+1.6	-1.5
Costa Rica				-2.3	-5			-2.8
Cyprus				-2.0				-2.0
Dahomey						-8		-8
Denmark	-17.0	-15.0	-15.0	-35.0	+15.0			-67.0
Dominican Republic				-3.0			-2.6	-5.6
Ecuador					-3.2	-2.3		-5.5
Egypt			-7.5	-7.8	-1.2	-2.2	-10.8	-29.5
Country A		-4.7	-3.0				-5.0	-12.7
France		-265.7	-173.0		-459.1	-517.7	-405.1	-1,820.6
Gabon						-7		-7
Germany (West)			-33.8	-22.5			-225.0	-281.3
Ghana			-5.6					-5.6
Greece		-15.0	-47.0	-10.2	-19.1			-91.3
Guinea						-2.8		-2.8
Honduras			-8					-8
Indonesia		-11.0	-24.9					-35.9
Iran	-2.3		-4	-16.1		-5.9		-24.7
Iraq			-29.8					-29.8
Israel		-4.4			-10.0	-7.0	-2.0	-23.4
Italy	-348.8			+100.0			+200.0	-48.8
Ivory Coast					-1.5			-1.5
Japan	-30.1	-157.4	-15.2					-202.7
Korea		-1.6						-1.6
Laos				-1.9				-1.9
Lebanon				-21.0	-32.1		-10.5	-63.6
Mauritania						-8		-8
Mexico		-30.0	-20.0			-4.0		-54.0
Morocco			-21.0					-21.0
Netherlands	-260.9	-29.9	-249.4	-24.9			-60.0	-625.1
Niger						-8		-8
Nigeria				-20.0				-20.0
Pakistan			-12.5					-12.5
Peru			-15.0	-5.0	-6	-10.6		-31.2
Portugal	-20.0	-10.0					-2.2	-30.0
Salvador								-2.2
Saudi Arabia			-11.3	-47.5	-12.6			-71.4
Senegal						-1.7		-1.7
Somalia					-1.9			-1.9
Spain	+31.7		-113.7	-156.2	-146.1	-130.0	-32.0	-546.3
Syria			-2.1		-1.3	-4	-3.1	-6.9
Tunisia			-5		-5	-5		-15
Turkey			-6.1	-2.5	-1.1	+2.0	+1.3	-6.4
United Kingdom	-900.0	-350.0	-550.0	-305.7	-387.0	+329.3	+617.7	-1,545.7
Upper Volta						-8		-8
Yugoslavia		-1.5	-15.9		-1.5	-1.9	-2.5	-23.3
Net sales of gold	-1,890.8	-1,026.2	-1,583.3	-827.7	-1,207.4	-430.9	-33.0	-7,013.3

In addition to the purchase of \$7,013,300,000 of U.S. gold stocks, 14 of the above-listed countries purchased an additional \$769,100,000 of our gold during the first quarter of calendar year 1965.

Data furnished to the committee by the Treasury Department covering most of the 57 countries listed in the preceding table indicates that these countries also increased their short-term dollar holdings, official and private, from \$9.73 billion on December 31, 1957, to \$14.541 billion on December 31, 1964.

During the 7-year period the 57 countries listed in the foregoing tabulation received \$14,434,900,000 in military and/or economic assistance from the United States. (In addition there were hidden benefits, such as favorable tariffs on beef imports, coffee agreements, and world sugar quotas.) This leads us to conclude that our financial assistance to those countries enabled them to accumulate over \$4.811 billion in short-term dollar cred-

its and to purchase over \$7 billion of our gold.

#### MORE MONEY AVAILABLE FOR ECONOMIC PROGRAM IN 1966

The committee recommendation of \$2.115 billion for economic aid for 1966 compared with the 1966 budget estimate indicates a cut of \$174,470,000.

That is only part of the story. A comparison of the amount available for the program, including carryover of unobligated balances, etc., reveals that there will be \$45,842,000 more available for 1966 than 1965.

There are three large increases in 1966 over 1965: International organizations and programs category is up \$10.4 million; Alliance for Progress development loans show an increase of \$16.5 million and the development lending program, exclusive of the Latin American area, will have \$14 million more.

The following table indicates the detail:

#### Economic assistance

[In thousands of dollars]

	Total available, 1965	Total available, 1966	Comparison—Total available
Technical cooperation and development grants	230,510	234,000	+3,490
American schools and hospitals abroad	17,596	7,000	-10,596
Surveys of investment opportunities	2,186	1,976	-210
International organizations and programs	134,392	144,755	+10,363
Supporting assistance	442,468	384,012	-58,456
Contingency fund:			
General	60,364	52,858	-7,506
Southeast Asia		89,000	+89,000
Alliance for Progress:			
Technical cooperation and development grants	95,164	84,562	-10,602
Development loans	471,314	487,811	+16,497
Development loans	812,556	826,517	+13,961
Administrative expenses, AID	57,189	57,031	-158
Administrative expenses, State	3,041	3,100	+59
Total, economic assistance	2,326,780	2,372,622	+45,842

#### NO-YEAR FUNDS

Of the amount requested for fiscal year 1966 for economic aid, 58 percent are "no-year appropriations." In other words, of the administration's request, \$1.3 billion will not expire on June 30, 1966, if not obligated. In fact, the \$1.3 billion will never expire. At the request of Mr. GARNER E. SHRIVER, the following information was presented by AID:

Amount of fiscal year 1966 request for economic assistance (AID) appropriations to be provided on a no-year basis

[In thousands]

	Requested appropriations	Percent of total economic appropriations requested
Development loans	\$780,250	35.5
Alliance for Progress loans	495,125	22.5
Total	1,275,375	58.0

#### EMPLOYMENT

There are three types of employees in the economic aid program:

1. Direct hire employees—the regular Federal employees, including U.S. nationals and foreign nationals—the employees shown in the personnel tables issued by the Administration and printed in the budget.

2. Other than direct hire employees—U.S. nationals, and foreign nationals who are contract employees or employees borrowed from other agencies on a reimbursable basis.

3. Foreign national trainees.

During the hearings, at the request of the distinguished chairman of the subcommittee, a table was inserted in the record on employment in both the economic and military assistance programs.

It was astonishing to learn there were 33,139 employees in the economic aid program on June 30, 1965, a net increase of 370 in 15 months. Employment of U.S. nationals increased at the amazing rate of 1,536 in those 15 months, while employment of foreign nationals and foreign national trainees was cut 1,166.

The subcommittee was told there were 15,600 regular direct hire employees on June 30, 1965. That was an increase of 50 over the January budget. To arrive at the 15,600, U.S. nationals were cut only 61—to 6,719—

below March 31, 1964, but a much larger cut of 745—to 8,881—was assigned to foreign nationals.

"Other than direct hire" of U.S. nationals jumped to 5,208, an increase of 1,597, while foreign nationals for the same period de-

creased by 12 people—to 847. Foreign national trainees were cut in the same period by 409 to 11,484.

Strong supporters of the aid program argue that foreign national trainees are not employees of the United States on a tech-

nical basis. Regardless of semantics, they receive the benefit of the funds of the United States.

The following table was prepared from data submitted by the administration during the hearings:

Foreign Assistance Act program, military and economic—Summary of personnel

	Economic					Military		
	Mar. 31, 1964	Mar. 31, 1965	June 30, 1965	Comparison		Mar. 31, 1964	Mar. 31, 1965, and June 30, 1965	Comparison
				Mar. 31, 1964, and Mar. 31, 1965	Mar. 31, 1964, and June 30, 1965			
U.S. nationals:								
Direct hire.....	6,780	6,634	6,719	-146	-61	10,172	11,153	+981
Other than direct hire.....	3,611	3,966	5,208	+355	+1,597	134	100	-34
Total, U.S. nationals.....	10,391	10,600	11,927	+209	+1,536	10,306	11,253	+947
Foreign nationals:								
Direct hire.....	9,626	8,688	8,881	-938	-745	1,991	1,454	-537
Other than direct hire.....	859	847	847	-12	-12	5,031	4,053	-978
Total, foreign nationals.....	10,485	9,535	9,728	-950	-757	7,022	5,507	-1,515
Foreign national trainees.....	11,893	11,484	11,484	-409	-409	21,319	16,968	-4,351
Total:								
Direct hire.....	16,406	15,322	15,600	-1,084	-806	12,163	12,607	+444
Other than direct hire.....	4,470	4,813	6,055	+343	+1,585	5,165	4,153	-1,012
Foreign national trainees.....	11,893	11,484	11,484	-409	-409	21,319	16,968	-4,351
Total.....	32,769	31,619	33,139	-1,150	+370	38,647	33,728	-4,919

Total economic and military employees:

Mar. 31, 1964.....	71,416
Mar. 31, 1965.....	65,347
June 30, 1965.....	66,867

#### INITIATION OF PROJECTS NOT PRESENTED TO CONGRESS

Testimony this year again confirmed the statement that the foreign aid program is presented to the Congress on an "illustrative" basis—that is, the agency requests funds for a project in one country but may spend the funds for a different type of program in another country.

For example, Chairman PASSMAN asked, "You could actually testify for funds for a road in Pakistan, and build a brick building in India, and still be within the law, could you not?"

Mr. Macomber, assistant administrator, Bureau for Near East and South Asia, answered, "That is correct."

Chairman PASSMAN asked a similar question of Mr. William D. Rogers, deputy U.S. coordinator, Alliance for Progress:

"You could, under the law, testify for a building and loan bank in Guatemala and build a mountain resort with that money in Brazil if it qualified, could you not?"

Mr. ROGERS. Yes, sir.

The flexibility under the authorization for use of appropriated funds is a primary factor in the ability of the administration to initiate projects that have never been presented to the Congress—even on an illustrative basis. It is our opinion that very few of these projects are of such vital importance to our national interest that they must be initiated without having first been presented to the Congress. The following table indicates the extent and cost of the practice in the past 3 years:

Project initiation	Number of unjustified projects	First year cost	Estimated cost to complete
Fiscal year 1963.....	82	\$17,753,000	\$50,905,000
Fiscal year 1964.....	60	7,202,000	21,967,000
Fiscal year 1965.....	83	14,302,000	44,625,000

#### MISDIRECTION

The following is an example of the misdirection of the economic aid program.

One of the Members of the House of Representatives received a letter from a

young man in the Peace Corps in Ecuador telling how the town of Bahia, a coastal village of some 8,000 inhabitants, was an excellent farming region until the midfifties when it was hit by a severe drought, and since then people had been leaving the area. The rains returned last year and the harvests were nearly as abundant as prior to the drought.

US-AID has a project called "Asimow" to provide technical assistance to underdeveloped countries to help set up small locally owned industries. Last year Bahia was selected as the site to be studied for development of a small industry. The natives were very hopeful as the town has a completely agricultural economic base and not one industry. US-AID hired a university staff to make the study, but instead of assigning highly trained technical experts, a group of undergraduates was sent. The natives were skeptical but accepted them and raised \$60,000 to begin a corn products industry as was suggested. Late last fall came word the study was incomplete and the industry suggested would fail if tried.

When Mr. Garner E. Shriver read the letter to AID Administrator Bell on May 4, he promised to submit a statement for the records. An explanation had not arrived by the time the hearings went to press. In fact a reply was not received until June 30. The lack of available information in Washington, and slow transmittal of a reply from the area is a further example of the inefficient operation of the program.

#### DAIRY DEVELOPMENT IN JAMAICA

Last year the committee and subsequently the Congress approved in the Foreign Assistance Appropriation Act the so-called Whitten proviso which reads as follows:

"Of the foregoing amounts for economic assistance, \$300 million shall be available for obligation only through the apportionment review and approval procedure prescribed by law in such amounts and at such times as may be determined by the President to be in the national interest that funds otherwise available for the purposes of programs under this title are insufficient to meet

the cost of additional authorized projects or programs."

On June 22, 1965, the President signed a determination in accordance with the above requirement, releasing \$182 million for use in the Development Loan and Alliance for Progress loan accounts. Subsequent to that date, using the funds released by the President and other uncommitted funds in the loan accounts—all of which had been taken into account when the recommendation for releasing part of the Whitten proviso reserve was made to the President—the following loans were authorized prior to the end of the fiscal year:

[In thousands of dollars]

Loan No.	Name	Amount
615-H-003..	Kenya—Polytechnic Institute..	550
664-H-025..	Tunisia—Highway Equipment and Maintenance.	6,750
386-H-143..	India—Dhuvaran Thermal Power.	32,300
386-H-144..	India—Durgapur Projects (II)..	16,500
271-H-112..	Israel—Telephone Equipment..	4,000
278-H-003..	Jordan—Damiya Junction-Northshovna Road.	1,640
277-H-061..	Turkey—Demirkoy-Ayancik Sawmills.	2,750
277-H-062..	Turkey—Feasibility Studies....	4,000
277-H-063..	Turkey—Keban Hydro Electric Project.	40,000
512-L-051..	Brazil—São Paulo Electric Distrib.	15,000
512-L-050..	Brazil—Rio Light Electric Distrib.	25,000
504-L-001..	Br. Guiana—Atkinson Field-MacKenzie Road.	5,500
513-L-026..	Chile—I.F.I. Coop. Dev. Bank.	3,650
513-L-027..	Chile—C.O.R.F.D. Dev. Bank.	6,000
513-L-028..	Chile—Fertilizer Import Prog...	3,600
515-L-015..	Costa Rica—Rural Electrification.	3,300
518-L-026..	Ecuador—C.O.F.I.E.C.—Private Dev. Bank.	3,000
518-L-027..	Ecuador—Primary Education Improvement.	5,300
519-L-009..	El Salvador—Rural Road Construction.	1,200
532-L-005..	Jamaica—Dairy Development...	3,800
524-L-011..	Nicaragua—Tax Improvement & Resources Study.	5,400
	3 loans authorized but not yet announced.	16,300
	Total.....	205,540



One of the items listed above is for \$3.8 million for dairy development in Jamaica. Was that expenditure of taxpayers' money in the national interest? These words "national interest" are greatly overused. Any giveaway could conceivably be argued to be in the national interest.

Witnesses for the AID keep returning to the "national interest" theory. We are for the national interest, too, but we do not feel it is served by squandering our resources.

The list of weaknesses in the foreign aid program area is almost without end. Two related defects, one of them chargeable to Congress itself, are: 1. The increasing willingness of the Congress to abdicate its responsibility to control foreign aid funds, and 2. Strong evidence of lack of concern for congressional intent specifically expressed in some instances in the hearings and sometimes in the foreign aid law itself, despite occasional devices such as the Whitten proviso which placed \$300 million in escrow until such time as AID officials clearly demonstrated they had no more money to carry out an authorized program of economic assistance.

#### REPORT OF PRESIDENTIAL ADVISORY COMMITTEE ON PRIVATE ENTERPRISE IN FOREIGN AID

"Foreign aid, unless it is amplified by private initiative, is doomed to be a costly palliative that will go on indefinitely. The fundamental difficulty lies not in the idea of foreign aid, nor its execution by the Agency for International Development, but in the vast gap between the human and financial resources actually going into the developing nations and the resources they need to grow at an acceptable rate."

The foregoing quotation is from a summary report released on August 26, 1965, by the President of the United States. Its author is Arthur K. Watson, chairman, IBM World Trade Corp., and chairman of the Advisory Committee on Private Enterprise in Foreign Aid.

The undersigned minority members of the Appropriations Committee subscribe substantially to the aforesaid doctrine. Elsewhere in the letter transmitting the 53-page report, Mr. Watson says: "No matter how carefully our aid dollars are invested and no matter how wise and energetic AID's personnel may be, there is still not enough money nor people to accomplish the vast task the United States has undertaken."

The report goes on to urge that our foreign assistance efforts put increasing stress on energizing and encouraging private development resources, our own and those of the developing countries.

This document might appear self-serving if the advisory committee were comprised only of persons engaged in international commerce. But such is not the case; the makeup of the committee shows educators, a labor executive, a jurist, and a farm co-op leader.

There is almost no certain place at which to begin and clearly no place whatsoever to end a critique on our foreign assistance programs.

We are told foreign aid is a tool of our foreign policy. That suits us fine, but here again we feel AID management misses the mark too many times.

In the matter of serving up aid to countries whose leaders have clearly demonstrated inimical feelings toward the United States, we think the Congress should insist in the strongest terms that such countries be denied any form of aid.

The American public must be puzzled when it reads about the following exchange between the subcommittee chairman and Mr. Edmond C. Hutchinson, Assistant Administrator, Bureau for Africa, AID:

"Mr. HUTCHINSON. We do not like to provide aid to people who spit in our faces.

"Mr. PASSMAN. Then why do you give it to them?"

"Mr. HUTCHINSON. There are circumstances in which there is a balance of U.S. interest involved."

Now, how often do we have to turn the other cheek?

In the Senate during this year's debate on Foreign Assistance, Senator JACK MILLER re-offered his amendment to withhold U.S. foreign aid from those nations more than 1 year in arrears in their U.N. dues and assessments, reserving reasonable exceptions to be made by the President. It was once more opposed by the administration, and consequently defeated.

It is difficult to place oneself in the position of going against so much "blue chip" testimony that any reduction in foreign aid would damage the vital interest of the United States. But in prior years such reductions have been made without impairing our image. Our image may have suffered some impairment around the world but not on account of a reduced foreign aid program.

#### EFFICIENT MANAGEMENT ESSENTIAL

Even so, we are not talking so much about reduction per se as efficient management.

Three billion dollars or even more in foreign aid could well be supportable if our country and our aims in the world affairs were getting that much good out of it. But even one-third of that much money would be too much if it were being wasted, as much of these funds are at the present time.

Much has already been said about the great infrastructure flexibility of the AID funds, so we won't belabor that again. But the AID personnel should not abuse their transferability privileges so flagrantly. As was said on the House floor during last year's debate on this bill: "There is looseness in control and application of funds and programs. Only after the money is spent and gone do we learn of bungling, mismanagement, and waste." There must be some way to provide tighter congressional control over these programs, before the money has been wasted and the chance to gain support abroad dissipated.

The AID Administrator praised the quality of his overseas project personnel. We are pleased he has such a high regard for them, but has any one of them ever tried to justify a project's cost/benefit ratio to the U.S. Corps of Engineers and the appropriate congressional committees? If these projects were submitted to the same tests of feasibility applied to similar projects constructed in the United States, we'd have fewer roads to nowhere, dams that impound no useful water, and worthless irrigation projects. These projects could well be the catalyst enabling other nations to help themselves, much as they serve that purpose in the United States. But they certainly should be subjected to the same criteria that projects constructed within our own borders must meet.

At least two congressional committees, the Foreign Affairs Committee and the Joint Economic Committee, are presently conducting hearings on the best use of our enormous holdings of foreign currencies around the world. We look forward to their reports with interest and hope their studies, will result in better and more economical management of those funds, to the end that those currencies will be expended in place of dollars.

#### DIRECTION OF PROGRAM

The foreign aid program needs a major re-vamping, and the bulk of the American people are thoroughly in accord with this feeling. Our taxpayers would take a far better view of the program if they could see that the accomplishments were more favorable to the people of the recipient countries. Cer-

tainly the focus of our foreign aid program should be upon:

1. Responsive projects using our abundance of food to feed the unfortunate peoples of the world where starvation is all too prevalent, and

2. Initiation of educational programs to help the people of newly emerging nations to better enable them to take their place in a continually more complex civilization.

It occurs to us that much of the foreign aid program has been misdirected. We have given cash grants to dictators, and to neutral and even unfriendly governments, with little of the benefits reaching the people. Emphasis has to be placed on keeping this a "people to people" program. By genuinely giving this impression to the people of the world, a foreign aid program could well be the most significant program for world peace and understanding in our entire Government.

Everyone knows no one can buy friends. As the House minority report on the 1965 foreign assistance authorization bill states, "Foreign aid has not halted either the expansion of communism or the drift of many aid recipient nations toward Communist ideologies."

Witnesses testified before the committee on the need for separating the military assistance program from the economic aid program. We agree that the time has come for the program to be reexamined.

We support the minority views contained in the committee report on this bill of last year which are as follows:

"We feel that as legislators (1) we are disinterested judges, looking only at the facts as we see them; (2) we are interested in saving money for the taxpayers of the United States; and (3) we are interested in furthering the purposes of the foreign aid program as set forth in authorizing legislation."

We also feel major changes in its direction and application must be made if we are to realize its potential.

Few Members of Congress question the fact that something is definitely defective in the present structure of a foreign aid program which can consume so much money and yield such minimal results.

The time has come for a major overhauling. This should well be one of the major duties of this 89th Congress.

GARNER E. SHRIVER, MARK ANDREWS, FRANK T. BOW, CHARLES R. JONAS, MELVIN R. LAIRD, E. A. CEDERBERG, GLENARD P. LIPSCOMB, JOHN J. RHODES, WILLIAM E. MINSHALL, ROBERT H. MICHEL, ODIN LANGEN, BEN REIFEL, GLENN R. DAVIS, JOSEPH M. MCDADE.

#### ADDITIONAL VIEWS OF MR. CONTE AND MR. ROBISON

We, the undersigned, are committed to the idea and the spirit of foreign aid as a vital arm of our foreign policy; to it we give our full support as we have done consistently during the years it has been our privilege to serve in the Congress. One of the undersigned, Mr. CONTE, has served 7 years on this important committee.

We are charged by the American people with the responsibility of carefully scrutinizing and evaluating the proposed program and expenditures of our foreign assistance efforts. The discharge of that responsibility is an awesome and commanding task, one to which we have all devoted many hours. A recent study of our foreign aid program expressed it in this way:

"The efforts of advanced countries to help less developed nations toward economic growth and political maturity will go on. From time to time, there will be doubts and misgivings about the wisdom or the effectiveness of the effort. Nevertheless, most Americans understand very well that the effort should continue and our political and

economic interests are best served by building up the productive capabilities and democratic institutions of the less developed countries. What Americans do demand, and what they are entitled to have, is the assurance that their resources and support are applied with intelligence, skill, and dedication. ('Foreign Aid Through Private Initiative,' Report of the Advisory Committee on Private Enterprise in Foreign Aid, Agency for International Development, Washington, D.C., July 1965.)"

Any judgments which are to be made concerning foreign assistance should be made with the history and experience of our programs firmly in mind. It is no fairer to expect the countries receiving our aid to advance to the level that it has taken this country nearly two centuries to achieve, in less than 20 years, than it is to say that our aid administrators have failed in their assignments because the job is not yet completed and our assistance efforts must go on.

However, support for foreign assistance legislation must be neither blind nor indifferent. We do not contend that we have reached the apogee or the perigee of possible implementing programs for foreign assistance. In these additional views, we do not intend to malign the program or its participants in a spirit of negativism. We seek only to present our constructive criticisms of the program and to set forth our proposals and endorsements for what we consider would be the improvement of our assistance efforts.

#### NEED FOR A RADICAL REVISION OF THE PROGRAM

We feel that it is time to make a comprehensive reevaluation of our program of assistance, revamping it to meet the needs of the developing countries in a manner that does not merely duplicate of the past.

There is something new in the foreign aid program this year—the increasing introduction of planned selectivity. Today, we are proposing aid to 72 countries, with 95 percent of our assistance going to 31 of these countries.

However, what we need today is not something new in the program so much as a new program. The total impact of our aid program remains diluted and weakened by the fact that we have still spread ourselves too thin. We should no longer attempt to do a little bit for everybody within a constrained budget, even on the reduced scale of 72 countries.

The 80th, a Republican Congress, acting in the wake of the destruction and devastation of World War II under the able leadership of then Congressman Christian Herter and Senator Arthur Vandenberg, established high standards for all future assistance programs in the Marshall plan and the Truman doctrine. The success and the indomitable spirit of these men were reflected in the programs which they had advocated and the new hope for the world which they provided. In many respects, the challenge with which we are faced today in our assistance efforts is as great as faced the 80th Congress. We must pick out of the sea of generalizations, a program of specialization. It will require basic and fundamental changes in our approach to assistance, in the scope and character of that program. What we must maintain is the drive and spirit of the efforts of those who have preceded us.

We have witnessed exciting successes in our assistance efforts of the past, as we have also experienced disappointing failures. In retrospect, we believe that the tally sheet is more than balanced in favor of the efforts that have been made. We have seen the substantial eradication of malaria in vast areas of the world where it had afflicted generation after generation; we have witnessed the worthwhile work done by the Peace Corps; we have brought educational institutions of all levels to people who would

otherwise have been unable to train as technicians and develop professional skills enabling their countries to go forward with their own self-help programs. The list could go on and on. However, the mere duplication and proliferation of what has proved successful in the past does not insure continued success in the future.

At this time, we do not recommend a substantial reduction in the efforts we are making nor a shrinking away from the task which is before us. We do recommend increased emphasis upon and the further implementation of the program of carefully planned selectivity. By concentrated and intensive efforts in a small number of countries with development potential and promise, coupled with the will of the people of the country to be partners in the assistance efforts, rather than a part of a giver-getter relationship, we can bring the country up to the level of achievement and continuing progress that it can join with us in aiding others. If a sound and diversified economic base can be established in underdeveloped countries, they, in good time, will have the means to offer their help to their lesser developed neighbors.

We will be able, then, to build an assistance program from a limited base that will ultimately reach all the developing nations of the world. The program will, at the same time, place even less of a burden upon this country and will rely more on regional identification of interest and the concern of neighboring nations, one for the other. Other developed nations of the free world are joining with us now in the fight against hunger, disease, and despair. During 1963 commitments by other free world nations for economic development increased, while U.S. commitments declined to less than half the free world total. The nations we helped after World War II are now helping others.

We have the basis for such selectivity in this year's program. In the development loan program, 74 percent of all the loans will go to only 7 countries. These countries are all engaged in strong, self-help development programs. Their potential role in future development efforts should not be lost in the miasma of too many programs and too many projects, in too many countries.

The new program of selectivity which we propose is one of two degrees. First, we must be selective in the number of countries in which we have an aid involvement. Second, we must be selective in the choice of the countries in order to assure that those countries in the program have the desire and ability to make the best use of our aid. We can spare no funds, especially in a program of a limited number of countries, for the support of marginal activities or for costs that aid-receiving nations are able to carry themselves. The helping hand that we offer must be grasped by the people of the country to whom it is extended.

#### NEED FOR INCREASED EMPHASIS ON ASSISTANCE TO LATIN AMERICA

In a new or reinforced program of selectivity in our assistance efforts, we recommend that one area of emphasis be Latin America. The potential and the need for development there have been long overlooked and short-changed. There are pressing needs for agrarian and tax reform in Latin America. We are just beginning to see the results of the progress that has been made possible under the Alliance for Progress. Latin America is truly on the march and we must insure that momentum is maintained. We can do so by more selective and intensified economic assistance efforts.

#### NEED FOR A NEW APPROACH TO MILITARY ASSISTANCE FOR LATIN AMERICA

We do not support the continued high level of military assistance to Latin America. The appropriation request for this funding cate-

gory has systematically increased with each passing year despite a material limitation of \$55 million. We are not convinced that, in every instance, these funds are applied only toward the intended goal—the maintenance of the internal security of the individual Latin American countries. These funds could well be an enabling factor in any Latin American country's buildup of military capabilities for external aggression and in many of the coups that have taken place in Latin America.

We recommend that early and serious consideration be given to a regional military defense organization for Latin America similar to NATO. The value of such a regional organization would be manifold. It would enable us to eliminate or curtail the grants of military assistance to individual Latin American countries. It would provide an identification of interest and purpose, common to all of the Latin American countries, for the defense of Latin America.

It is essential that these nations realize that the Communist threat affects all Latin American nations, not just a few. While these countries are, of course, independent entities, the successful resistance of any one country to this threat may well be dependent upon the combined efforts of all singularly and forcefully brought to bear on the common foe.

#### NEED FOR BETTER UTILIZATION OF EXCESS FOREIGN CURRENCIES

We must stop merely planning how to use the growing amounts of United States-owned foreign currencies in the eight excess currency countries, and start using them. We have more than one and a half billion dollars worth of these currencies. Within the past month, we have seen the value of the excess currencies which we hold in Yugoslavia decrease by the devaluation of the dinar.

It is not, however, only inimical to the interests of the United States to maintain these holdings of excess currencies. The countries where these currencies are held criticize this country for these excess accumulations and express concern that they might be put to a use seriously affecting the internal financial and economic interests of the particular country.

Proposals for the use of these funds have been rejected for lack of definiteness by the Congress and the agencies that could put these funds to use seem reluctant to request them as part of their dollar appropriations. However, it is in the interest of both this country and the host countries that these idle currencies be put to work.

India is one of the eight excess currency countries. As of June 30, 1964, the United States had accumulated nearly \$980 million worth of Indian rupees from Public Law 480 sales proceeds, from payments of principal and interest on past development loans to India, and from interest on U.S.-owned rupee bank deposits in India. Of this amount, \$392 million is earmarked for exclusive U.S. use and \$588 million is reserved for India's use in the form of development loans and grants. The amount of U.S.-use currency is expected to increase to about \$611 million by the end of fiscal year 1966.

The amount being presently spent for U.S. uses in India is about \$25 million annually. It has been estimated that at current rates of expenditure, U.S.-owned rupees in India represent roughly a 28-year supply of estimated requirements for our general purposes in that country.

The excess currency in India, as in other excess currency countries, is not readily available for the purchase of goods and services, nor is it freely convertible into other currencies. Under these circumstances, it would be desirable for the United States to find ways to put to use some of its rupee holdings. We can do so in such a way as to help the Indian economy and the educational struc-



ture. However, there has been no development of constructive programs to use sufficiently these funds to strengthen the assistance efforts of this country or to implement our foreign policy.

We single out India because it is the country in which we hold the largest amount of U.S.-owned foreign currencies. At the same time, it is the country where the greatest effort has been made by American officials, under Ambassador Chester Bowles, to try to put this idle currency to work for us. These efforts have been of no avail and signal the need for the action of the committee and Congress. Mr. CONTE, together with Ambassador Bowles, has proposed the use of the U.S.-owned rupees to strengthen our administrative operations in India, to establish a binational educational foundation, and to strengthen our programs and activities within that country.

The programs of the foundation could include:

1. Establishing scholarships for outstanding Indian students.
2. Strengthening selected institutions of technology, agriculture, teacher training, and multipurpose high schools to make scholarship programs more effective.
3. Grants for improvement of textbooks and other teaching material at primary and secondary levels.
4. Additional support to existing American institutions in India such as those at Hyderabad and Poona.
5. Promotion of Indian literature, art, music and dance in the form of grants to the three national academies located in New Delhi.
6. Development of public libraries and student reading centers which 100 Indian cities urgently need.

We could achieve similar purposes in all of these countries with these idle funds, to the mutual benefit of the excess currency countries and the American image around the world.

#### NEED FOR PRIVATE ENTERPRISE IN THE FOREIGN AID PROGRAM

We endorse "The Report of the Advisory Committee on Private Enterprise in Foreign Aid."

The gap between the resources that have in the past gone into the developing countries and the resources that the people of these countries need, as well as the fact that there does not seem to be enough money to accomplish the task that this country has undertaken, should not prompt our resignation to a futility of our assistance efforts nor invite us to abandon them. It is rather, a call to meet the challenge before us through the enlistment of the private resources in which this Nation so plentifully abounds.

We are a Nation built upon individual initiative and private enterprise. We have, then, no better spokesmen for the freedom of choice and the economic advantages of the opportunities afforded by a democratic society than the very people who have, as a part of such a society, grown and developed to the point where they can now offer their assistance to those eager to set out on the long road for themselves.

We have seen the application of private initiative on a small scale reap large-scale benefits for the participants from both this and the developing country with the small businessmen's project in Tunisia which was financed, in part, by AID. If we are going to emphasize a people-to-people program in our aid efforts, we should encourage it on that level.

We recommend concerted efforts to enlist the help of private enterprise and private initiative, remembering that money alone will not do the job that must be done. Our universities, business enterprises, labor unions, and professional societies are a vast and virtually untapped reservoir of capital,

skills, and human resources that must be motivated and applied to assist the world's developing countries. While the eventual success or failure of our foreign assistance programs may not be determined by the contributions made by American private initiative, we are convinced that the earliest possible successful accomplishment of the goal depends upon their participation.

#### NEED FOR A NEW PERSONNEL PROGRAM

There has been very little congressional action taken regarding the special personnel problems encountered by AID. The administrators are responsible for the operation of an international business, but find themselves forced to apply differing standards to a single position or person. The personnel policy is administered in part under the Foreign Service Act and in part under the civil service system. This involves a change in status for every employee who is sent from Washington, where he is a civil servant, to one of the overseas posts, where he assumes Foreign Service Reserve status. A similar change operates in reverse for the employee returning to this country from an overseas assignment.

As a result, it is a difficult procedure merely to make the changes essential to upgrade the personnel of the Agency. David Bell, the extremely capable and dedicated administrator for AID, declares the lack of personnel authority specifically designed for the Agency is the No. 1 problem with which he is faced. In his testimony before the subcommittee, he indicated that the continuation of the stopgap system has accounted for the accumulation of a number of people, under the protective umbrella of civil service, who are not qualified to meet the rigorous requirements of the program as it is carried to the developing nations of the world today.

We recommend enactment by the Congress of a personnel statute drawn specifically to meet the unique requirements of the Agency for International Development in its employee relations and policy.

#### CONCLUSIONS

Remarks made by one of the undersigned, Mr. CONTE, during the debate on this legislation 1 year ago on the floor of the House, express the purpose and intent of these, our views, and are as timely today as when they were presented. We cite them in conclusion of these views:

"Every Member of this House wants to see improvements made in the foreign aid program. There is not a Member who does not have his own ideas about how this could be accomplished. Some of the criticisms and suggestions of Congress have been put into effect and have helped to improve the program. It is important for Congress to continue to suggest changes and improvements. If anything, there is need for even greater congressional examination of the strengths as well as the weaknesses of foreign aid. But there are any number of ways in which Congress can influence the course of foreign aid without casting doubt on the concept, undermining the confidence in the program, and creating a negative political climate which favors restrictions and reductions rather than healthy, constructive criticism and support."

SILVIO O. CONTE.

HOWARD W. ROBISON.

Mr. MORSE. Mr. President, let me say to my friend the Senator from Rhode Island that in my desire to hasten consideration aid disposal of the pending bill as quickly as possible, I forgot, before Senators left the Chamber to ask for a ye-a-and-nay vote.

As the Senator knows, I have a gentleman's understanding with the ma-

jority leader that he will endeavor to assist me in obtaining a ye-a-and-nay vote. Therefore, because I cooperated yesterday in agreeing to the unanimous consent agreement which would limit debate today, I hope that before the Senator from Rhode Island finishes whatever comments he is going to make, he will extend me the courtesy of a quorum call just long enough to get sufficient Senators into the Chamber to ask for the ye-a-and-nay vote.

Mr. PASTORE. That is absolutely satisfactory to the Senator from Rhode Island. The Senator from Arkansas [Mr. McCLELLAN] has a speech of 20 or 25 minutes.

I yield 20 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I shall vote against the pending foreign aid appropriation bill. It represents an extravagant waste of American tax dollars in furtherance of misguided or confused policies. The American people are increasingly opposed to this vast program of waste, and I have been opposed to it since shortly after the end of the Marshall plan era.

I think most would agree that the aid and assistance furnished under the Marshall plan to countries devastated by war was a graphic demonstration of America's humanitarian concern for the welfare of the peoples of the world, and certainly was in the best tradition of our concept of democracy in action. I supported it. But that program had guidelines, definite goals, and cooperation by the recipients. It served a worthy purpose and was successful.

Today, more than \$100 billion later, we find an aimless foreign aid program floating about in a sea of bewilderment that is at odds with reality. The most tangible, realistic thing about the program is its excessive cost, while its intangible results have been increased involvement with more and more countries, growing resentment by the recipients of our aid, and deepening concern over the direction in which this drifting program is taking the United States.

Since fiscal year 1946, the United States has been engaged in an outpouring of American tax dollars at alarming proportions under the guise of foreign aid. Some 110 countries and territories of the world have been served by it. Today, anyone would be hard pressed to demonstrate any concrete, constructive results achieved during the past few years as a consequence of this folly.

In the post-World War II period, the public debt of this Nation has risen by almost \$50 billion. This means that we have been borrowing money to finance this foreign aid program.

The Russians have said that they will bury us. The only way we will be buried is to bury ourselves by the simple expedient of continuing deficit spending that will be followed by inflation and economic chaos.

The best hope for the free world in the long run is a strong America—strong both militarily and economically. All too often we rely only on our military

might and tend to forget the vital importance of maintaining a strong economy and sound fiscal policies. In fact, it has become fashionable and sophisticated to think only in terms of deficit spending and larger indebtedness.

Many feel—and our Government is now proceeding on the theory—that in relation to the rise in the gross national product, an increase in the national debt of \$4 or \$5 billion annually is of no consequence; that this excessive spending is a healthy stimulant; that large annual deficits create no inflationary pressures.

Mr. President, with that premise, I do not agree. Heavy habitual deficit spending cannot possibly continue indefinitely without detrimental effects. This, coupled with the critical balance-of-payments deficit and related factors, could cause serious trouble, and I believe will do so, if not remedied.

The deficit for the fiscal year 1965 was \$3.474 billion, and our debt limit now stands at \$329 billion. I suggest that one means of reducing the deficit of \$3.474 billion would have been to eliminate the foreign aid program—or at least a portion of it.

The pending bill seeks appropriations of \$3.907 billion for foreign assistance, but the agriculture appropriations request includes \$1.658 billion for the food-for-peace program, so we are dealing with total foreign aid expenditures of more than \$5.5 billion.

According to Congressman OTTO PASSMAN, chairman of the House Foreign Operations Subcommittee of the Appropriations Committee, there are now some 22 Federal agencies dispensing some type of aid in 99 foreign nations and 9 territories. Moreover, he indicates that there were unliquidated foreign aid funds, old and new, available for expenditure in fiscal year 1965 amounting to more than \$11 billion. These are funds previously appropriated and which are not yet expended. The administration disputes this figure and suggests that only some \$6.3 billion was in the pipeline as of June 30, 1965. But even using this figure and adding to it the pending requests for an additional \$5.5 billion, we find that almost \$12 billion will be available for foreign aid expenditure in the current fiscal year. This is a very imposing reservoir of funds and we have no moral right to waste it—to spend it uselessly. Surely this huge amount could be reduced by half, and our interests would still be fully protected and our obligations could be fully met.

Mr. President, I was disappointed that efforts to end the present foreign aid program did not prevail earlier this year when we considered the authorization bill. The American people have been saddled with this burdensome program long enough, and it is regrettable that Congress failed to grasp the opportunity offered at that time to impose a deadline on this program and call for a re-examination of objectives that our national self-interest dictates we should pursue in this field.

We have given repeated expressions of this Nation's humanitarian concern for the welfare of the peoples of the world,

but in so doing, I wonder if we have not lost sight of the reason why we took the initiative in offering foreign aid following World War II. Was it not then our purpose to rebuild countries torn asunder by war—was it not to resurrect suffering economies—and was not this latter goal tied explicitly to our own self-interest in promoting world markets? But how is the interest of America served under today's program? Surely America's welfare and future destiny are not dependent upon our perpetuating this useless and fruitless policy of indiscriminate foreign aid spending.

If this Nation has something to contribute to mankind—as I am convinced that it does—then it must surely be something a bit grander than mere benevolence. The greatest gift that this country can ever hope to offer other nations of the world is the simple notion of self-government—the simple notion of individual freedom—and the simple principles of the free enterprise system. And, Mr. President, these are precious commodities that gold alone cannot buy. Nor are they exportable in instant form. For these simple notions to take root and flourish they must fall on receptive soils. Therein, I think, lies the fault with much of our previous efforts with foreign aid. We have sought to sow before the grounds were prepared—and in many instances before the fields were even cleared. We tend to forget, or overlook, that what this great country achieved in just a few short years has not been equaled by other countries boasting civilizations extending back centuries before America was discovered. The significant technological advances made in our space program are ample evidence of the fact that we are able on occasion to “leapfrog,” as it were, in attaining even more advanced and sophisticated levels. But I think we err when we think we can apply this leapfrogging technique to the developing nations of the world by simply giving them money.

And how will the future historians assay the role our foreign aid program played in the bitter struggle between India and Pakistan? Two neighboring nations have been locked in combat, using American-supplied weapons and money furnished under the guise of foreign aid, testify to the crying need for a reappraisal of this program. At the moment a cease-fire agreement is in effect, but at most it is fragile and insecure.

Billions of dollars and untold weapons of war have been poured into both countries. Almost \$8 billion in economic aid alone has been dumped into these countries since World War II; \$5.2 billion for India and \$2.6 billion for Pakistan. And to what end? Certainly not so that they could afford to fight like spoiled children. A nation with the resources of America should exercise the greatest possible caution and prudence in any program to share its bounty with the less fortunate countries of the world.

The combatants in that struggle cannot afford the burdensome toll that war exacts. And one wonders if that conflagration would have flared and spread without the aid furnished by us. But this much we can foresee, that regardless

of the outcome, more raids will be made on America's treasury.

Americans seem increasingly to be geared to a credit-card way of life, but I seriously doubt America's capacity—great as it is—can long honor credit-cards for all the nations of the world.

Mr. President, we have all read of the waste and inefficiency associated with the foreign aid program so much over the years that we tend to accept it—waste—as inevitable. However, this year, no less authority than the General Accounting Office, the auditing agency for the Congress, indicted the program by saying that there is more waste in the foreign aid agency than in any other civilian agency in the Government. Testifying before the Senate Foreign Relations Committee, the Comptroller General, Mr. Campbell said:

The aid program is in a class by itself with respect to waste.

And in this instance he was not referring to the shipment of TV sets for jungle villages with no electric power, or to shipment of “royal bee” sex rejuvenator for Nationalist China. The Comptroller General was speaking in terms of waste on a much larger scale. For example, the Comptroller pointed out that the Agency for International Development, the bureau handling the foreign aid program, unnecessarily spent almost \$4 million to finance goods produced in one aid-receiving country for shipment to other aid-receiving countries, even though such purchases could have been made with U.S.-owned foreign currencies in those countries rather than with dollars.

Also, some \$7 million in interest was lost in the Republic of China in a 2-year period because someone neglected to get an agreement whereby the Chinese Government should pay interest on the large holdings of U.S.-owned foreign currency in that country.

The Comptroller reported that the Turkish bituminous coal industry continued to suffer from inefficient operations despite U.S. dollar and foreign currency aid of at least \$68 million. In addition, about \$18 million had been provided to three enterprises for the procurement and erection of facilities—grain storage facilities, meatpacking plants, and a coal-drying plant—which were barely used, although they had been completed for 2 or more years.

The assistance furnished had contributed little toward improving operations of the enterprises.

Also, the General Accounting Office reported that about \$54 million in grant-in-aid assistance for development projects in the Philippines had been furnished which substantially exceeded Philippine capabilities to effectively absorb, maintain, and utilize with the limited country funds allocated for this purpose. As a result, the projects, involving highways, dredges, piers and wells, had not achieved the economic development benefits that could have been reasonably expected had adequate levels of support been made available by the Philippine Government.



Added to these wasteful examples are, of course, the oft-repeated incidents of providing countries with equipment far too sophisticated for adaptation and use by the recipient, and the many failures to get firm commitments from recipient countries whereby proper maintenance and use will be made of equipment and/or facilities furnished with American dollars.

Mr. President, I pause to cite two instances in one country. There are others in the same country, and I am sure that if a thorough investigation were made into this program and could be made thoroughly, we would immediately discover similar instances.

In Iran a total of \$609,000 in grant funds have been obligated for the construction of a modern slaughterhouse. The project was originated in 1952, 13 years ago, and still is not completed.

This unsatisfactory rate of execution was the result of several revisions of project plans, delay in plans, engineering services, and procurement of equipment.

I understand that when it is completed it is proposed to send people to England to train them how to operate it. They have not reached that point, although they have had it for 13 years.

There are other instances. I call attention to one other instance.

A total of \$597 million in grant funds was obligated for a sawmill project in Iran. This began in 1952. Construction of the sawmill was finally completed in June of 1962. A half million dollars worth of equipment laid out on the port for many years before it was assembled, all after a series of delays. The start of the full operation was delayed 2 years more while the Government of Iran tried to work out problems of managing and operating a sawmill.

They finally came to this country and induced an American firm to enter into a contract and operate the mill. It did. Americans went over there and organized it, organized the help, and made it operate profitably.

Immediately when this was done, the government went down there with its bayonets, and drove it away, and the sawmill stands there today, operating one-third of the time.

This program is shameful in the way it is administered and the results obtained from it.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may have 5 minutes longer than the time allotted to me.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. MORSE. I shall be brief. I thank the Senator from Arkansas for this speech. The Senator from Arkansas and the Senator from Louisiana [Mr. ELLENDER] who will be offering amendments later that I shall support, are two Senators who have stood shoulder to shoulder with me in my efforts of recent years to clean up and reform the foreign aid program.

No Senator has stood on the floor of the Senate in the past several years and

denied what the Senator has been pointing out; namely, the devastating findings of the Comptroller of the United States.

Until the Senate is willing to make a finding of fact as to the Comptroller of the United States, the senior Senator from Oregon will never vote for a foreign aid bill.

Mr. McCLELLAN. I thank the Senator.

Mr. President, I remember that my attention first came to waste in the program when I was heading an investigating committee, a subcommittee of the Committee on Government Operations. I do not remember the year. We found that millions of dollars had been spent creating an irrigation project in Bolivia.

When it was finished there was no water. I do not know what happened to that operation. I presume the project is still there.

These problems are bad enough, but they reflect primarily on the administration of this program. Another area that to me is intolerable reflects primarily on the policy of the foreign aid program. And that intolerable situation is where American property has been attacked, burned, and destroyed in the very countries receiving our aid. In Pakistan just this week a mob of several thousand attacked our Embassy in Karachi and burned a USIS library. And other anti-American demonstrations occurred in Lahore and Dacca.

I was pleased to note that language was added to the authorization bill declaring it to be the sense of the Congress that assistance under this or any other act to any foreign country which permits or fails to take adequate measures to prevent the damage or destruction by mob action of U.S. property within such country should be terminated and should not be resumed until the President determines that appropriate measures have been taken by such country to prevent a recurrence thereof.

But I feel we should go one step further and impose an absolute prohibition on aid in such instances.

We seem to have engendered a widely held view that this country owes an obligation to aid every less developed country in the world and we certainly are not helping to dispel this misconception by tolerating continued abuses of our personnel and property abroad.

Earlier this year a tabulation of such incidents printed in the CONGRESSIONAL RECORD listed 51 occurrences of this nature between July 1962 and December 1964. We are all familiar with these insufferable abuses, Mr. President, and yet we continue to tolerate them.

In his state of the Union message, President Johnson said:

We are prepared to live as good neighbors with all, but we cannot be indifferent to acts designed to injure our interest, or our citizens, or our establishment abroad. The community of nations requires mutual respect. We shall extend it—we shall expect it.

The reaction? American establishments continued to suffer attacks around the world in the days following this statement.

Consider the situation with Nasser of Egypt who says we can take our aid and jump in the lake, and yet we give him more. Or Sukarno of Indonesia who says he does not need our foreign aid and then he confiscates our rubber plantations and libraries. Each of these countries has received U.S. aid amounting to nearly \$1 billion since World War II.

And what of France, a country owing us billions in war debts, while General de Gaulle seeks to embarrass the United States by making repeated calls on our gold reserves.

We provide no direct aid to France now, but it would appear that the unprecedented—nearly \$10 billion—we have extended to France over the years since 1946 has gone for naught so far as General de Gaulle's gratitude is concerned. Perhaps we should require that France repay her World War I debts of \$6.5 billion in gold. Certainly this would be in keeping with De Gaulle's principles, and his peculiar passion for gold.

Burned American libraries and smashed embassy windows stand as stark reminders that the billions of dollars this Nation has contributed are not enough to buy friendship. Indeed, they furnish ample evidence that dollar diplomacy has never and will never prove a successful substitute for establishing and maintaining, on the basis of justice and reciprocal respect, effective international relations.

This country—the wealthiest Nation the world has ever known—is still not so abundantly rich that it can rely solely on the dollar to promote and protect our interests and position abroad.

Moreover, Mr. President, I am deeply concerned over the deleterious impact that the continuing foreign aid program has on our balance-of-payments deficit.

Members are well aware of this situation, and will recall that only a short time ago Congress was asked to enact the gold cover bill in order to afford time for the administration to take steps to reduce the continuing U.S. balance-of-payments deficit. I have long been a critic of policies which contributed greatly to the predicament this deficit has presented, particularly in the area of foreign aid. However, I supported the gold cover legislation on the basis of the President's assurances of taking affirmative action to reduce and eliminate this deficit by taking advantage of the opportunity afforded by that measure.

The result today is not altogether reassuring in that regard, Mr. President. I realize that it is perhaps still too early to expect any significant or sustained reversal of the trend that gave rise to this problem, but it is a serious matter and we should not lose sight of the consequences it may bring. The United States has had 14 balance-of-payments deficits in the past 15 years, totaling \$35 billion and we cannot afford to relax our efforts to arrest and reverse this trend.

And I think it is clear, Mr. President, that foreign aid will continue to adversely affect our balance-of-payments position.

In this connection we might do well to heed the warnings recently issued by

Federal Reserve Chairman William McC. Martin on the similarities of the conditions today with those of the 1920 era. At that time, just as now, he said, Britain and the United States were both in balance-of-payments difficulties and France decided to convert its payments' surplus into gold.

We need to bear this in mind as we consider the pending foreign aid bill, Mr. President. And we need improvement in the clarity and meaningfulness of our policies to the end that confusion will be eliminated and misunderstandings will be avoided. We should endeavor to provide a more positive leadership, defining our purpose and objectives in language that will hardly permit misinterpretation and in terms that neither friend nor foe should misunderstand.

Mr. President, if we were to shut off any further assistance this very minute we would still find the foreign aid pipeline clogged with many unspent billions of American dollars. I think that it is time to turn off the spigot and clear the pipeline, and then chart a clear course before we dare set sail again on the expensive expanse of the foreign aid sea.

Let us not pave the road to economic chaos with ill-conceived programs contrived and peddled aboard with the zeal of a missionary. If we are to remain in this foreign aid business—and this now seems as certain as death and taxes—then let us be a bit more hardheaded in our transactions and promote the formula that made America great—a formula of self-help, self-reliance, and self-interest.

Mr. PASTORE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 8 minutes remaining on the amendment.

Mr. PASTORE. I suggest the absence of a quorum, the time for the quorum call to be charged to the time allotted to me.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, the Senator from Rhode Island is opposed to this amendment.

I suggest the absence of a quorum, the time for the quorum call not to be charged to either side.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.  
Mr. PASTORE. Mr. President, the pending amendments would provide for

a cut of \$25 million under the military assistance program. While this amount may be considered small with reference to the \$1.17 billion for the entire military assistance program for all the nations of the world to which we are committed, the \$25 million is one-third of the entire military assistance program for Latin America.

This amendment would reduce the military assistance program for one particular region, Latin America, by more than 30 percent. It would be a drastic, dangerous, and tragic cut. I hope that the Senate will reject the amendment.

I yield back the remainder of my time.  
Mr. MORSE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the senior Senator from Oregon [Mr. MORSE]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Tennessee [Mr. GORE], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from New York [Mr. KENNEDY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON] and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] would vote "yea."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 41, nays 43, as follows:

[No. 268 Leg.]

YEAS—41

Bartlett	Burdick	Cooper
Bayh	Byrd, Va.	Cotton
Bible	Church	Dirksen
Boggs	Clark	Douglas

Eastland	McClellan	Robertson
Ellender	McGovern	Russell, Ga.
Ervin	Morse	Symington
Fannin	Morton	Talmadge
Fong	Mundt	Tydings
Fulbright	Murphy	Williams, N.J.
Gruening	Nelson	Williams, Del.
Hruska	Neuberger	Young, N. Dak.
Jordan, N.C.	Pell	Young, Ohio
Jordan, Idaho	Proxmire	

NAYS—43

Aiken	Holland	Moss
Allott	Inouye	Muskie
Bass	Jackson	Pastore
Byrd, W. Va.	Javits	Prouty
Cannon	Kuchel	Randolph
Carlson	Long, Mo.	Ribicoff
Case	Long, La.	Russell, S.C.
Dodd	Magnuson	Saltonstall
Dominick	Mansfield	Smathers
Harris	McGee	Smith
Hart	McNamara	Stennis
Hartke	Metcalf	Thurmond
Hayden	Miller	Yarborough
Hickenlooper	Monroney	
Hill	Montoya	

NOT VOTING—16

Anderson	Kennedy, N.Y.	Scott
Bennett	Lausche	Simpson
Brewster	McCarthy	Sparkman
Curtis	McIntyre	Tower
Gore	Mondale	
Kennedy, Mass.	Pearson	

So Mr. MORSE's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HAYDEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 4, line 25, strike out the figure "\$1,170,000,000" and insert in lieu thereof the following: "and provided further that military assistance to India, Pakistan, Greece, and Turkey shall be limited to not to exceed fifty percent of the cost of equipment and training which those countries received from the United States during the last fiscal year, \$1,000,000,000."

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, my proposed amendment does two things.

First. It specifies that military assistance to the named countries of India, Pakistan, Greece, and Turkey shall be reduced by 50 percent from the amounts those countries received in the last fiscal year.

Second. The amendment reduces the military assistance appropriation by roughly the amount that would be saved if those specific programs were each reduced by 50 percent, namely, \$170 million. It leaves still an appropriation of \$1 billion—far too much.

I pick out these countries because they have used military equipment and training supplied by the United States in military action against each other. I picked out these countries as a warning to others who might do the same thing. I picked out these countries as an example to our military leaders of the criticism of this body of the indiscriminate arming of any nation that will accept our military equipment and to try



to show how ill advised and irresponsible have been our actions.

Mr. President, we have learned during the last few weeks that U.S. military assistance has been spread too far, too wide, and too thick. It has been spread so widely that there are few border skirmishes in which the participants are not shooting U.S. manufactured military hardware at each other, guided by the training we have given them.

Mr. President, I would wager that during recent hostilities between India and Pakistan that American military advisers were not far behind the front on both sides.

What have we come to?

The time will soon come when the munitions makers which the former Senator Gerald Nye exposed years ago will seem like a group of lily-white, small businessmen.

Today the munitions makers, the munitions distributors, and the military trainers are employees of the U.S. Government.

The amendment I have sent to the desk calls for a specific limitation on military assistance to named countries—countries which have shown that they do not take seriously the admonitions of our military agreements that this equipment is not to be used against nations friendly to the United States.

I predict that without adoption of this amendment, it will be only a matter of days until fresh military supplies from the United States, in full replacement of their losses, will be on the high seas on the way to both India and Pakistan. After all, if we do not send new tanks to the Pakistani, their military men will not have equipment to keep them occupied. If we do not send additional assistance to India, the men in its armed forces may have to use wooden guns. Would not that be awful?

What a tragic situation to which we have come. We will soon be the most hated Nation in the world if we continue to give free reign to our military advisers who can only advise that these new underdeveloped nations receive more and more military assistance.

Let me state parenthetically that one of the great purposes of my amendment would be to start turning the trend of the military economy in this country back to a free economy. For every American today is living, not under a free economy, but under a defense economy. If we stop the subsidy to every American businessman who directly or indirectly is the beneficiary of the terrific defense economy that has been built up, in no small measure as the result of our military aid program, we shall have some small chance of returning to a free economy. We shall also have some chance of changing the trend of our Government from a government in which the military is more rapidly coming into power and the civilian powers are rapidly going out of control.

Mr. President, we are not going to face up to this problem of returning to a free economy unless we are willing to come to grips with the type of amendment that I am advancing.

I noted in the press a few days ago that the Pakistani armed forces had made limited use of napalm in their attacks on the Indian forces. I wonder where they learned of that civilized war-making device. I wonder where they obtained their napalm. I wonder who taught them their techniques.

We talk about being a moral nation, but much of the world knows that we fall far short of practicing our alleged moral principles. Millions of people know the chasm, the abyss, the great difference between the religious professions of Americans and the practices of American foreign policy.

I know that I must expect to be attacked—as I am in certain places—because I hold fast to my upbringing, because I believe that the religious principles I was taught should be lived up to not only by individuals, but also by governments. For a people, in the long run, will be no more moral than the moral principles they are willing to insist shall constitute the practices of their government. I find it difficult to reconcile a great many facets of the military aid program with religious teachings.

If the United States is not willing to be the nation to begin to hold back on military shipments to these new nations, no one will take the lead. Of that we can be sure.

I predict that if Congress does not take the lead in stopping this nefarious traffic, it will be only a matter of time until we shall find fiery outbreaks all over Africa—the spear having been replaced by the machinegun, manufactured in the United States; the arrow having been replaced by the rocket, manufactured in the United States. And we call ourselves civilized.

I hope that my amendment will be adopted and that we shall have the audacity to begin to put a stop to this.

Mr. President, let me say to the Governments of India and Pakistan, Turkey and Greece, that no one in Congress would be more willing than I to vote for economic aid for them on a project-to-project basis, on a sound business loan basis which would help to prepare the seed beds of economic freedom in their countries, and make it possible for the masses of their people to be economically free, and to have their standards of living raised.

There will be no real political freedom assured for future generations in those countries until we do a better job of preparing the seed beds of economic freedom in the underdeveloped countries of the world, out of which, interestingly enough, political freedom will always take root and grow.

We shall never lead mankind to peace through military aid.

Our military aid has reached outrageous proportions. It is the greatest aid to the Communists, because it stirs up hatred and resentment against the United States around the world, not only in the countries which receive the aid, but also among millions of people who form public opinion in countries that do not need military aid.

I do not believe that my ideals and convictions can be better expressed than to

repeat what I have said in meetings of the Foreign Relations Committee, and on the Senate floor: That if we really wish to be a great flaming torch, lighting the way to freedom and peace, we will export not military aid, but bread, by way of economic freedom to millions of people in the world who are hungry for economic freedom but can only be annihilated by American military aid.

Mr. PASTORE. Mr. President, I shall take only 4 or 5 minutes, and then I will be ready to yield back the remainder of my time and have a vote on the amendment. I do not believe that the United States is an aggressive monster; nor do I believe for one moment that the United States is leading the parade in trafficking in armaments in order to cause aggression in the world, and in order to add to the strife which already exists in the world. Nor do I believe that we are an uncivilized government because we give military aid to those who are trying to resist the bullying monster of communism trying to stay free.

Mr. President, if the Senate adopts this amendment today, it will have laid the foundation for destroying NATO. NATO is in sorry enough condition already, with the attitude of General de Gaulle. If we stop military aid to Turkey and Greece, whose peoples live directly under Russia and near China, we shall see the whole of the NATO complex dissolve and die.

America will then have to stand alone. We have not been giving military aid to Pakistan and India, as I understand, since last April.

I do not believe that the President of the United States is ready to give any further military aid if it does not serve the security of this country and the peace of the world. But, do not forget, Pakistan is still a member of SEATO and CENTO. To carry out the provisions of the amendment pending today, we would break SEATO and CENTO as well. America would once more stand alone against the new bully, Red China, which has already successfully set off two explosions of a nuclear device.

I realize that there are troubles in the world, but they are not of our making. The Kashmir problem is a thousand years old. We cannot solve it overnight. We are not happy about the conflict between Greece and Turkey over Cyprus. We have intervened as best we could to try to bring the strife to a halt. We are not a party to what is happening in Kashmir. That is a religious problem, a conflict of the ages. Yet we realize that we are caught in the paradox of our time. We are posed between perils.

Today, we are being placed in a position where we have to judge between two evils. The only reason why we sit on the court of judgment, as I said before, is that we wear the mantle of responsibility.

Does anyone believe that the man in the White House loves America less than does the Senator from Oregon?

Does anyone believe that the Senator from Oregon loves peace more than does President Johnson or did President Kennedy?

Let us face the facts of life, as they are.

There are many problems in the world that will take many long years to solve. Some of them may be insoluble in our lifetime. I am not happy about Kashmir. I am not happy about Cyprus; but, if we adopt the pending amendment, we will tear the free world apart in one stroke.

I do not believe that the Senate is ready to mete out that kind of judgment today.

Therefore, the pending amendment is a crucial one, and involves a great deal of drama and evokes much emotion.

There is the repeated question. Why should we help other nations which are fighting one another? The answer is obvious. But look at the panorama of the world. Look at what has brought us to this point. Consider where we stand. Look at what we have to maintain and protect. We try to close the door to encroachment by the Soviets and by Red China. Do not give the key to the door to the Kremlin today. Do not give the key to the door to Peiping today. Khrushchev said at one time, "NATO is the bone in my throat." And today the Senate will remove that bone from the throat of the Kremlin if it votes the amendment. I hope the amendment will be defeated.

I yield back the remainder of my time.

Mr. JAVITS. Mr. President, before the Senator does that, will he yield me 3 minutes?

Mr. PASTORE. I yield 3 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I am chairman of a special committee of the NATO Parliamentarians' Conference which was created to encourage closer economic cooperation between Greece and Turkey. Notwithstanding the tensions and strains between those two countries and what is going on at this time, I believe we shall realize useful results from that project. In spite of the present Greek Government crisis, I believe that that trouble will be settled. There is also hope of settling the Cyprus problem.

In connection with this project of the NATO Parliamentarians' Conference, I have had an opportunity to travel to Greece and Turkey and to meet the leaders of the parties of both the Government and the opposition.

I shall vote against the amendment of the Senator from Oregon, notwithstanding that I have the greatest respect and affection for him, and with whom I am often aligned, because I believe it would be exactly the wrong way to deal with the sensibilities of these countries and the determination by both the party of the Government and the opposition party to stay, by and large, within the context of the free world, indeed, of the Western World.

It would be an unnecessary affront to these countries for the United States to spank them as though they were little boys quarreling with each other. Adoption of an amendment like this would say that we regard their nations not as adults, but as adolescents. We must regard them as adults. Therefore, in

the exercise of the subtleties and delicacies of foreign policy, that decision should be left with the President. I would say that whether the President were a member of my party or that of the opposition party, as he is at this time.

Just as students rioted in Karachi against the USIS building because they instinctively felt that the United States was an influence in the balance of the U.N., I think we should instinctively feel that the U.N. has had a great victory. Let us not jeopardize it, the day after it has had such a victory, this country being the United Nations' greatest supporter, by spanking some of its participants. Perhaps they should be spanked, but it would be unwise for us to do it.

Therefore, I hope, in the interest of the United States, that the amendment will be defeated.

I would not have stood and made this statement, were it not for the fact that I had this familiarity with the Greek and Turkish situation.

Mr. MORSE. Mr. President, I had not intended to make a further statement, but after hearing the Senator from Rhode Island and the Senator from New York, I would not want some student in the years ahead wondering why the Senator from Oregon had remained silent after hearing what I consider to be a chain of non sequiturs raised by the Senators from Rhode Island and New York. So I will make a rebuttal statement.

My friend, the Senator from Rhode Island, talked about SEATO and CENTO, to the effect that we would be undercutting our allies under those two pacts. What allies? How does one judge an ally? He judges an ally by whether or not an ally stands with him. Where have Pakistan and India been in regard to the crisis in southeast Asia? Outside, looking in.

The Prime Minister of Pakistan, standing in Washington, D.C., before the Washington Press Club some months ago, when asked whether they were going to be of assistance to us in Vietnam, at first made the categorical answer "No." Then he proceeded to say:

It is a U.S. problem, not a Pakistani problem. Our problem is with India.

The sad fact is that the SEATO Treaty has been naught but a worthless paper to the United States from the very time it was signed. What most people do not know is not contained in the SEATO Treaty, but controlling the administration of the SEATO Treaty is a protocol side agreement entered into whereby the parties agreed that, unless they were unanimous in a program calling for administration under SEATO, no country was obligated.

I have said in the Foreign Relations Committee and on the floor of the Senate many times that, in my opinion, the SEATO Treaty was an exercise in deception, and it has deceived the American people as to what it really can accomplish.

India is not a treaty ally at all, so nothing said by the Senator from Rhode Island about treaty allies applies to India.

CENTO likewise has been worthless to the United States.

But let me move to Greece and Turkey for a moment. I point out that neither the economy of Greece nor of Turkey could maintain the military establishments in those countries.

I happen to believe that we cannot justify a military program in a country if the economy of that country cannot maintain the military forces there.

The weapons we have supplied Greece and Turkey, the weapons we have supplied India and Pakistan, would be of no assistance to us whatsoever in case of a war with Russia or Red China.

What would be of assistance would be to keep the economies of India and Pakistan viable so that in a time of war with Russia, if that came, we would not have to be pouring into Pakistan and India the additional millions of dollars necessary for their economic assistance while we were in an all-out war with Russia.

In the event of a war with Russia neither Greece nor Turkey in the Mediterranean, nor Pakistan or India in Asia, would be of assistance to us in such a war, for it will be a nuclear war. It would be over in a relatively short time. Unfortunately, there will be no winner.

I am very much interested in the discussion of the Senator from New York about the economies of Greece and Turkey. They are very weak economies because so much of their economies are going into oligarchies. With respect to Turkey in particular, the Senator from New York, and I have stood shoulder to shoulder in trying to get the economic part of our program channeled into administration by the private segment of the economy. Much economic aid money going into Turkey is controlled, directed, and operated under a form of state socialism, and an incredibly corrupt and inefficient state socialism. Communist-style socialism could not be much more inefficient than the state socialism of Turkey, but we keep it going with our foreign aid subsidies.

As a liberal, I do not intend to support state socialistic enterprises in the economy. In Greece, instead of seeing conditions improve, we see a declining economy. Not only that, but we see now a Greece far removed from the Greece we helped after the adoption of the Truman doctrine.

The record is clear that the senior Senator from Oregon, sitting on the other side of the aisle at that time, spoke on the floor of the Senate for 2 days, and was the first Senator who supported President Truman in the Truman doctrine. It was needed.

The Truman doctrine, in my judgment, helped to give Greece the opportunity to become a free society, and was of great assistance to Greece in establishing the independence she had for a time prior to the present political debacle that now wracks that country.

The huge military aid program made possible the conflict over Cyprus, which in the process of undermining and destroying much of what had been accomplished with our economic aid.



Lastly, I wish to make a brief comment with regard to NATO, referred to by the Senator from Rhode Island. NATO cannot be preserved, and my amendment does not have the slightest connection with NATO. NATO will get a complete revision. The military aspects of NATO are almost passé. We need NATO and the military alliances in connection with it, but we need a NATO that is basically an economic alliance, for the need of NATO countries has become a need for economic alliance and not military alliance. Neither the House of Representatives nor the Senate can save NATO from being drastically revised.

I am interested in the ad hominem references to the stands of the President of the United States and the senior Senator from Oregon. I say to my friend the Senator from Rhode Island [Mr. PASTORE] that the senior Senator from Oregon has never intimated nor suggested that he is more for peace than is the President of the United States. I am satisfied that the President of the United States is a man of peace. But I believe that in connection with military aid, and in connection with what I consider to be his unconstitutional, undeclared war in Vietnam, he is mistaken in judgment.

Have we really reached the point in the Senate where an argument is made that if the President wants something, we automatically vote for it, as a rubber-stamp?

I believe the President is dead wrong in regard to his position on military aid and much of foreign aid. I believe he is dead wrong in his position in regard to his undeclared war in southeast Asia.

I am perfectly willing to let the people of the country answer the question whenever they decide it is necessary to make clear what foreign policy shall be.

But my answer to those constantly seeking to give the impression that because one does not agree with the President, he must be wrong, is that foreign policy does not belong to him; it belongs to the people of this country.

And Presidents have been wrong, they will be wrong occasionally in the future. That is why we have a Congress which is supposed to make a judgment of its own in these matters.

As a Senator representing the people of my State, I intend to continue the exercise of independent judgment on the basis of facts. However, when those facts do not support the President, I do not intend to vote with him on an issue.

In my judgment, the facts relating to my amendment, do not support the President. Therefore, I urge adoption of my amendment.

Mr. PASTORE. I yield back my time.

Mr. MORSE. I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Tennessee [Mr. GORE], and the Senator from New

Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. McCARTHY], the Senator from Minnesota [Mr. MONDALE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

On this vote the Senator from Maryland [Mr. BREWSTER] is paired with the Senator from New York [Mr. KENNEDY]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from New York would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] would vote "yea."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 32, nays 54, as follows:

#### [No. 269 Leg.]

#### YEAS—32

Bartlett	Ellender	Morton
Bible	Fong	Mundt
Burdick	Fulbright	Pell
Byrd, Va.	Gruening	Randolph
Byrd, W. Va.	Hruska	Robertson
Church	Jordan, Idaho	Symington
Clark	Kennedy, Mass.	Talmadge
Cooper	McClellan	Williams, Del.
Cotton	McGovern	Williams, N.J.
Douglas	Montoya	Young, Ohio
Eastland	Morse	

#### NAYS—54

Alken	Hill	Murphy
Allott	Holland	Muskie
Bass	Inouye	Nelson
Bayh	Jackson	Neuberger
Boggs	Javits	Pastore
Cannon	Jordan, N.C.	Prouty
Carlson	Kuchel	Proxmire
Case	Lausche	Ribicoff
Dirksen	Long, Mo.	Russell, Ga.
Dodd	Long, La.	Russell, S.C.
Dominick	Magnuson	Saltonstall
Ervin	Mansfield	Smathers
Fannin	McGee	Smith
Harris	McNamara	Stennis
Hart	Metcalf	Thurmond
Hartke	Miller	Tydings
Hayden	Monroney	Yarborough
Hickenlooper	Moss	Young, N. Dak.

#### NOT VOTING—14

Anderson	Kennedy, N.Y.	Scott
Bennett	McCarthy	Simpson
Brewster	McIntyre	Sparkman
Curtis	Mondale	Tower
Gore	Pearson	

So Mr. MORSE's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 2300) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 5842. An act to amend the Lead-Zinc Small Producers Stabilization Act of October 3, 1961; and

H.R. 9221. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1966, and for other purposes.

#### RIVER AND HARBOR ACT OF 1965

Mr. McNAMARA. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2300.

The PRESIDING OFFICER (Mr. McGOVERN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2300) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was, to strike out all after the enacting clause and insert:

#### TITLE I—NORTHEASTERN UNITED STATES WATER SUPPLY

SEC. 101. (a) Congress hereby recognizes that assuring adequate supplies of water for the great metropolitan centers of the United States has become a problem of such magnitude that the welfare and prosperity of this country require the Federal Government to assist in the solution of water supply problems. Therefore, the Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with Federal, State, and local agencies in preparing plans in accordance with the Water Resources Planning Act (Public Law 89-80) to meet the long-range water needs of the northeastern United States. This plan may provide for the construction, operation, and maintenance by the United States of (1) a system of major reservoirs to be located within those river basins of the Northeastern United States which drain into the Chesapeake Bay, those that drain into the Atlantic Ocean north of the Chesapeake Bay, those that drain into Lake Ontario, and those that drain into the Saint Lawrence River, (2) major conveyance facilities by which water may be exchanged between these river basins to the extent found desirable in the national interest, and (3) major purification facilities. Such plans shall provide for appropriate financial participation by the States, political subdivisions thereof, and other local interests.

(b) The Secretary of the Army, acting through the Chief of Engineers, shall construct, operate, and maintain those reservoirs, conveyance facilities, and purification facilities, which are recommended in the plan prepared in accordance with subsection (a) of this section, and which are specifically authorized by law enacted after the date of enactment of this Act.

(c) Each reservoir included in the plan authorized by this section shall be considered as a component of a comprehensive plan for the optimum development of the river basin in which it is situated, as well as a component of the plan established in accordance with this section.

#### TITLE II—FLOOD CONTROL

Sec. 201. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to construct, operate, and maintain any water resource development project, including single and multiple purpose projects involving, but not limited to, navigation, flood control, and shore protection, if the estimated Federal first cost of constructing such projects is less than \$10,000,000. No appropriation shall be made to construct, operate, or maintain any such project if such project has not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration of such approval the Secretary shall transmit to Congress a report of such proposed project, including all relevant data and all costs.

(b) Any water resource development project authorized to be constructed by this section shall be subject to the same requirements of local cooperation as it would be if the estimated Federal first cost of such project were \$10,000,000 or more.

Sec. 202. Section 3 of the Act approved June 22, 1936 (Public Law Numbered 738, Seventy-fourth Congress), as amended by section 2 of the Act approved June 28, 1938 (Public Law Numbered 761, Seventy-fifth Congress), shall apply to all works authorized in this title except that for any channel improvement or channel rectification project, provisions (a), (b), and (c) of section 3 of said Act of June 22, 1936, shall apply thereto, and except as otherwise provided by law, the authorization for any flood control project authorized by this Act requiring local cooperation shall expire five years from the date on which local interests are notified in writing by the Department of the Army of the requirements of local cooperation, unless said interests shall within said time furnish assurances satisfactory to the Secretary of the Army that the required cooperation will be furnished.

Sec. 203. The provisions of section 1 of the Act of December 22, 1944 (Public Law Numbered 534, Seventy-eighth Congress, second session), shall govern with respect to projects authorized in this Act, and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto shall apply as if herein set forth in full.

Sec. 204. The following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with the plans in the respective reports hereinafter designated and subject to the conditions set forth therein. The necessary plans, specifications, and preliminary work may be prosecuted on any project authorized in this title with funds from appropriations hereafter made for flood control so as to be ready for rapid inauguration of a construction program. The projects authorized in this title

shall be initiated as expeditiously and prosecuted as vigorously as may be consistent with budgetary requirements. Penstocks and other similar facilities adapted to possible future use in the development of hydroelectric power shall be installed in any dam authorized in this Act for construction by the Department of the Army when approved by the Secretary of the Army on the recommendation of the Chief of Engineers and the Federal Power Commission.

#### *Saint John River Basin*

The Secretary of the Army is hereby authorized and directed to make a survey for flood control and allied purposes of the Saint John River, Maine, separate and apart from the Passamaquoddy Tidal Power Project, which survey shall include a detailed study of alternative methods of providing power, including thermal power development using nuclear energy, and to submit a report thereon to the Congress not later than March 30, 1966.

#### *Housatonic River Basin*

The projects for flood protection on the Housatonic, Naugatuck, and Still Rivers at Derby and Danbury, Connecticut, are hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 324, Eighty-eighth Congress, at an estimated cost of \$5,100,000.

#### *New England-Atlantic coastal area*

The project for hurricane-flood control protection at Westerly, Rhode Island, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 85, Eighty-ninth Congress, at an estimated cost of \$3,287,000.

#### *Long Island Sound area*

The project for hurricane-flood protection at Stratford, Connecticut, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 292, Eighty-eighth Congress, at an estimated cost of \$4,340,000.

#### *Hudson River Basin*

The project for flood protection at Yonkers, Saw Mill River, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 258, Eighty-ninth Congress, at an estimated cost of \$1,924,000.

#### *New York-Atlantic coastal area*

The project for hurricane-flood protection and beach erosion control at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 215, Eighty-ninth Congress, at an estimated cost of \$32,620,000.

The project for hurricane-flood protection and beach erosion control at Staten Island, Fort Wadsworth to Arthur Kill, New York, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 181, Eighty-ninth Congress, at an estimated cost of \$6,230,000.

#### *Elizabeth River Basin, New Jersey*

The project for hurricane-flood protection on the Elizabeth River, New Jersey, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 249, Eighty-ninth Congress, at an estimated cost of \$9,769,000.

#### *Rahway River Basin, New Jersey*

The project for flood protection on the Rahway River, New Jersey, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 67, Eighty-

ninth Congress, at an estimated cost of \$1,514,000.

#### *Neuse River Basin*

The project for the Falls Dam and Reservoir, Neuse River, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 175, Eighty-ninth Congress, at an estimated cost of \$18,600,000.

The project for hurricane-flood protection at New Bern and Vicinity, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 183, Eighty-ninth Congress, at an estimated cost of \$10,400,000.

#### *Middle Atlantic Coastal Area*

The project for hurricane-flood protection and beach erosion control at Ocracoke Island, North Carolina, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 109, Eighty-ninth Congress, at an estimated cost of \$1,636,000.

#### *Flint River Basin*

The project for the Lazer Creek Reservoir, Flint River, Georgia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 567, Eighty-seventh Congress, at an estimated cost of \$40,378,000.

The project for the Lower Auchumpkee Reservoir, Flint River, Georgia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 567, Eighty-seventh Congress, at an estimated cost of \$48,275,000.

#### *Central and Southern Florida Basin*

##### *Comprehensive Plan*

The comprehensive plan for flood control and other purposes in central and southern Florida approved in the Act of June 30, 1948, and subsequent Acts of Congress, is hereby modified to include the following items:

The project for flood protection in Hendry County, west of levees 1, 2, and 3, Florida, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 102, Eighty-eighth Congress, at an estimated cost of \$4,986,000.

The project for flood protection in Southwest Dade County, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 20, Eighty-ninth Congress, at an estimated cost of \$4,903,000.

#### *South Atlantic Coastal Area*

The project for hurricane-flood protection on Biscayne Bay, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 213, Eighty-ninth Congress, at an estimated cost of \$1,954,000.

#### *Phillippi Creek Basin, Florida*

The project for flood control on Phillippi Creek, Florida, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 156, Eighty-ninth Congress, at an estimated cost of \$4,592,000.

#### *Lower Mississippi River Basin*

##### *Comprehensive Plan*

The project for flood control and improvement of the lower Mississippi River, adopted by the Act of May 15, 1928 (45 Stat. 534), as amended and modified, is hereby further modified and expanded to include the projects and plans substantially as recommended by the Chief of Engineers in House Documents Numbered 308 and 319, Eighty-eighth



Congress, at an estimated cost of \$181,109,000, and the authorization for the lower Mississippi River project is hereby increased accordingly, except that (1) any modified easements required in the improvement of the Birds Point-New Madrid, Missouri, Floodway shall be acquired as provided by section 4 of the Act of May 15, 1928, (2) the pumping plant in the Red River backwater area shall be operated and maintained by the Corps of Engineers, (3) the recommendations of the Bureau of the Budget shall apply with respect to improvements for fish and wildlife, and (4) the requirement of local cooperation for the improvements in the Saint Francis Basin, Arkansas and Missouri, shall be the same as is required by paragraph (q) under the heading "Lower Mississippi River" in section 10 of the Flood Control Act of 1946.

The project for the Saint Francis River, Missouri and Arkansas, within Drainage District No. 7, Poinsett County, Arkansas, is hereby modified substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 57, Eighty-ninth Congress, at an estimated cost of \$1,372,000.

#### General Projects

The project for hurricane-flood protection at Grand Isle and vicinity, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, in House Document Numbered 184, Eighty-ninth Congress, at an estimated cost of \$5,500,000.

The project for hurricane-flood protection at Morgan City and vicinity, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 167, Eighty-ninth Congress, at an estimated cost of \$3,049,000.

The project for hurricane-flood protection on Lake Pontchartrain, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 231, Eighty-ninth Congress, except that the recommendations of the Secretary of the Army in that document shall apply with respect to the Seabrook lock feature of the project. The estimated cost is \$56,235,000.

#### Ouachita River Basin

The project for flood protection on the Ouachita River at Monroe, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, in House Document Numbered 328, Eighty-eighth Congress, at an estimated cost of \$520,000.

#### Red River Basin

The proviso in the paragraph under the center heading "Red River Basin" in the Act of December 30, 1963 (77 Stat. 840, Public Law 88-253) relating to the Waurika project, Oklahoma, is amended to read as follows: "Provided, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to acquire lands and interests therein required for the establishment of a national wildlife refuge at the reservoir as described in Senate Document Numbered 33, Eighty-eighth Congress, at an estimated cost of \$418,000, whenever the Secretary of the Interior approves the establishment of such a refuge."

The project for flood protection on Bayou Bodcau and tributaries, Arkansas and Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 203, Eighty-ninth Congress, at an estimated cost of \$1,524,000.

The project for Caddo Dam and Reservoir, Louisiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, as modified by the Secretary of the Army, in Senate Document

Numbered 39, Eighty-ninth Congress, at an estimated cost of \$1,934,000.

The project for Sanders, Big Pine, and Collier Creeks, Texas, as authorized in the Act of October 23, 1962 (76 Stat. 1187), is hereby modified in order to provide for a highway crossing Pat Mayse Reservoir to replace the present FM Highway 1499 across Sanders Creek, at an estimated cost of \$310,000. Such crossing shall be constructed under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with such plans as may be recommended by the Chief of Engineers.

#### Gulf of Mexico

The project for flood protection on the Buffalo Bayou and tributaries, White Oak Bayou, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 169, Eighty-ninth Congress, at an estimated cost of \$1,800,000.

The project for flood protection on Highland Bayou, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 168, Eighty-ninth Congress, at an estimated cost of \$3,500,000.

The project for flood protection on Taylors Bayou, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, as modified by the Secretary of the Army, in House Document Numbered 206, Eighty-ninth Congress, at an estimated cost of \$5,004,000.

#### Rio Grande Basin

The project for flood protection on the Rio Grande at El Paso, Texas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 207, Eighty-ninth Congress at an estimated cost of \$12,493,000.

#### Arkansas River Basin

##### Comprehensive Plan

The multiple-purpose plan for improvement of Arkansas River and tributaries authorized by the River and Harbor Act of July 24, 1946, as amended, is hereby modified to authorize the Secretary of the Army acting through the Chief of Engineers, to provide replacement outfall facilities for the Kansas Street outfall sewer in the city of Pine Bluff, Arkansas, including such new pumping facilities as may be necessary, at the most economical Federal expense, but including in the Federal expense the reasonable capitalized cost of operation and maintenance of the pumping facilities over the cost of pumping now required in the existing system.

##### General Projects

The project for flood protection on the Arkansas River at Las Animas, Colorado, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 165, Eighty-ninth Congress, at an estimated cost of \$1,541,000.

The project for flood protection on Lee Creek, Arkansas and Oklahoma, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 270, Eighty-ninth Congress at an estimated cost of \$10,000,000.

The project for flood protection at Little Rock, Arkansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 55, Eighty-ninth Congress, at an estimated cost of \$363,000.

The project for flood protection on the Arkansas River at Great Bend, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered

182, Eighty-ninth Congress, at an estimated cost of \$4,030,000.

The project for establishment of a national wildlife refuge at the John Redmond Dam and Reservoir, Grand (Neosho) River, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 27, Eighty-ninth Congress, at an estimated cost of \$730,000.

The project for flood protection on the Walnut River, Kansas, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 232, Eighty-ninth Congress, at an estimated cost of \$66,036,000.

The project for the Shidler Dam and Reservoir, Salt Creek, Oklahoma, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 242, Eighty-ninth Congress, at an estimated cost of \$6,150,000.

The project for flood protection on Crutcho Creek, Oklahoma, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 47, Eighty-ninth Congress, at an estimated cost of \$1,801,000.

The project for Trinidad Dam on Purgatoire River, Colorado, House Document Numbered 325, Eighty-fourth Congress, authorized by the Flood Control Act of 1958 (72 Stat. 297) is hereby modified to provide that in lieu of the local cooperation recommended in paragraph 2(a) of the report of the Chief of Engineers dated July 22, 1954, published in said document, local interests shall maintain the channel of Purgatoire River through the city of Trinidad. The conditions set forth in paragraphs 2(b) and 2(c) of said report shall be applicable to the project.

The John Martin Reservoir project (formerly known as Caddo Reservoir), Arkansas River, Colorado, as authorized by the Act of June 22, 1936 (49 Stat. 1570), is modified to authorize and direct the Chief of Engineers to use not to exceed ten thousand acre-feet of reservoir flood control storage space for the purpose of establishing and maintaining a permanent pool for fish and wildlife and recreational purposes, at such times as storage space may not be available for such permanent pool within the conservation pool as defined in article III F, Arkansas River compact (63 Stat. 145) except that—

(1) The State of Colorado shall purchase and make available any water rights necessary under State law to establish and thereafter maintain the permanent pool.

(2) The rights of irrigators in Colorado and Kansas to those waters available to them under the terms of the Arkansas River compact and under the laws of their respective States shall not be diminished or impaired by anything contained in this paragraph.

(3) Nothing in this paragraph shall be construed so as to give any preference to the permanent pool over other project purposes.

(4) No permanent pool as herein defined shall be maintained except upon written terms and conditions acceptable and agreed to (A) by the Chief of Engineers in the interest of flood control, and (B) by the Colorado State Engineer, the Arkansas River Compact Administration, and the Colorado Water Conservation Board, in the interest of establishing, maintaining, and operating the permanent pool for recreational and fish and wildlife purposes.

(5) Nothing in this paragraph shall be construed so as to limit the authority of the Chief of Engineers to operate John Martin Reservoir for the primary purposes of the prevention of floods and the preservation of life and property.

#### Missouri River Basin

The project for flood protection on Big Creek at Hays, Kansas, is hereby authorized

substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 22, Eighty-ninth Congress, at an estimated cost of \$2,702,000.

The project for flood protection on the Little Nemaha River and tributaries, Nebraska, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 160, Eighty-ninth Congress, at an estimated cost of \$1,524,000.

The project for flood protection on the Big Sioux River and tributaries, Iowa and South Dakota, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 199, Eighty-eighth Congress, at an estimated cost of \$6,400,000, except that such portion of the project as relates to the area above the city limits of Sioux City, Iowa, shall be compatible with a fish and wildlife mitigation plan and also a flood control plan for the upper basin of the Big Sioux River, both to be approved by the States of Iowa and South Dakota.

The project for flood protection on the James River and tributaries, North Dakota, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 266, Eighty-ninth Congress, at an estimated cost of \$3,083,000.

The project for flood control on the Fishing River and tributaries, Missouri, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 281, Eighty-ninth Congress, at an estimated cost of \$7,260,000.

The project for flood protection on the Chariton and Little Chariton Rivers and tributaries, Iowa and Missouri, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers and the Secretary of the Army in House Document Numbered 238, Eighty-ninth Congress, at an estimated cost of \$9,167,000.

The project for flood protection on the Grand River and tributaries, Missouri and Iowa, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 241, Eighty-ninth Congress, at an estimated cost of \$218,009,000. Nothing in this Act shall be construed as authorizing the construction of Linneus Reservoir on Locust Creek, St. Catherine Reservoir on East Yellow Creek, the Honey Creek-No Creek local protection works, nor hydroelectric power facilities at Pattonsburg Reservoir on Grand River.

The project for flood protection on the Platte River and tributaries, Missouri and Iowa, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 262, Eighty-ninth Congress, at an estimated cost of \$26,889,000.

The project for flood protection on the Sun River at Great Falls, Montana, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 297; Public Law 85-500) is hereby modified to waive the requirement that local interests contribute in cash 2.16 per centum of the actual construction cost of all items of work provided by the United States.

#### Ohio River Basin

The project for flood protection on Charliers Creek, Pennsylvania, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 302, Eighty-eighth Congress, at an estimated cost of \$12,207,000.

The project for flood protection on Sandy Lick Creek at Du Bois, Pennsylvania, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered

185, Eighty-ninth Congress, at an estimated cost of \$1,654,000.

The project for the Hocking River, Ohio, in the vicinity of Athens, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 287, Eighty-ninth Congress, at an estimated cost of \$4,520,000.

The project for the Lincoln, Clifty Creek, and Patoka Dams and Reservoirs, Wabash River, Indiana and Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 202, Eighty-ninth Congress, at an estimated cost of \$72,900,000.

The project for the Lafayette and Big Pine Dams and Reservoirs, Wabash River, Indiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 29, Eighty-ninth Congress, at an estimated cost of \$44,800,000.

The project for the Rowlesbury Dam and Reservoir, Cheat River, West Virginia, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 243, Eighty-ninth Congress, at an estimated cost of \$133,548,000: *Provided*, That the power features of this project shall not be undertaken until such time as the Federal Power Commission has completed action on any applications that may be pending before that agency for private development of the pumped-storage facility of the project: *Provided further*, That should the Federal Power Commission act in the affirmative on any pending applications, the authority for such project shall not include Federal power features and the estimated cost of such project shall be \$88,402,000: *And provided further*, That in the event the Federal Power Commission dismisses any pending applications, Federal construction of such pumped-storage power facilities is hereby authorized and approved.

The project for the Martins Fork Reservoir, Upper Cumberland River Basin, Kentucky, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 244, Eighty-ninth Congress, at an estimated cost of \$4,860,000.

The Yatesville, Paintsville, and Panther Creek Reservoir projects and the Martin, Kentucky, local protection project on the Big Sandy River and Tug and Levisa Forks of Kentucky, West Virginia, and Virginia, are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 246, Eighty-ninth Congress, at an estimated cost of \$51,491,000. Prior to initiation of construction the Secretary of the Army shall prepare an analysis of benefits and costs of the proposed projects, including such reformulation as may be necessary to comply with the Federal Water Project Recreation Act.

#### Red River of the North Basin

The project for flood protection on the Roseau River, Minnesota, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 282, Eighty-ninth Congress, at an estimated cost of \$2,550,000.

#### Upper Mississippi River Basin

The project for flood protection at East Saint Louis and vicinity, Illinois (East Side levee and sanitary district), is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 329, Eighty-eighth Congress, at an estimated cost of \$6,180,000.

The project for the Kaskaskia River, Illinois, authorized by the Flood Control Act

of 1958 (Public Law 500, Eighty-fifth Congress), in accordance with the recommendations of the Chief of Engineers in House Document Numbered 232, Eighty-fifth Congress, is hereby modified substantially as recommended by the Chief of Engineers in House Document Numbered 351, Eighty-eighth Congress, to provide for the deletion from the items of local cooperation the requirement of a cash contribution due to changed land use, at an estimated increased Federal cost of \$3,498,000, if local interests make a cash contribution of an amount equal to the full cost of acquisition of flowage easements in those lands which are no longer needed for construction, operation, and maintenance of Carlyle Reservoir.

The project for the Wood River Drainage and Levee District, Madison County, Illinois, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 150, Eighty-eighth Congress, at an estimated cost of \$179,000.

The project for Ames Dam and Reservoir, Skunk River, Iowa, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, as modified by the Secretary of the Army, in House Document Numbered 267, Eighty-ninth Congress, at an estimated cost of \$12,893,000.

The projects for flood protection at Marshalltown and Waterloo on the Iowa and Cedar Rivers, Iowa, are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 166, Eighty-ninth Congress, at an estimated cost of \$17,570,000.

The project for the Zumbro River, Minnesota, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 246, Eighty-eighth Congress, at an estimated cost of \$975,000.

The project for the Big Stone Lake and Whetstone River, Minnesota and South Dakota, is hereby authorized substantially as recommended by the Chief of Engineers in House Document Numbered 579, Eighty-seventh Congress, and House Document Numbered 193, Eighty-eighth Congress, at an estimated cost of \$3,885,000.

The project on the Des Moines River for flood protection of Des Moines, Iowa, House Document Numbered 651, Seventy-eighth Congress, authorized by the Act of December 22, 1944 (58 Stat. 887), is hereby modified to eliminate the requirement recommended in paragraph 10(a)(2) of the report of the Chief of Engineers dated December 13, 1943, that local interests bear the expense of repairs and provision of gates on existing drains.

#### Great Lakes Basin

The project for flood control and navigation on the Chagrin River, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 35, Eighty-ninth Congress, at an estimated cost of \$2,200,000.

The project for flood protection on the Grand River at and in the vicinity of Grandville, Michigan, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 157, Eighty-eighth Congress, at an estimated cost of \$1,373,000.

#### Little Colorado River Basin

The project for flood protection on the Little Colorado River at and in the vicinity of Winslow, Arizona, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 63, Eighty-eighth Congress, at an estimated cost of \$2,775,000.



*Gila River Basin*

The project for flood protection on Indian Bend Wash, Maricopa County, Arizona, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 308, Eighty-eighth Congress, at an estimated cost of \$7,250,000.

The project for flood protection on the Santa Rosa Wash, Arizona, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 189, Eighty-ninth Congress, at an estimated cost of \$6,430,000, except that the development of recreation and fish and wildlife facilities shall be in accordance with the Federal Water Project Recreation Act.

The project for flood protection at Phoenix, Arizona, and vicinity, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 216, Eighty-ninth Congress, at an estimated cost of \$58,310,000.

*Eel River Basin*

The project for flood protection on the Eel River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 234, Eighty-ninth Congress, at an estimated cost of \$13,732,000.

*Sacramento River Basin*

The project for the New Bullards Bar Dam and Reservoir, Yuba River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 180, Eighty-ninth Congress, at an estimated cost of \$8,979,000.

The project for the Lakeport Dam and Reservoir with supplemental channel improvements, Scotts Creek, Cache Creek Basin, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 259, Eighty-ninth Congress, at an estimated cost of \$9,360,000.

*San Francisco Bay area*

The project for flood protection on Sonoma Creek, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 224, Eighty-ninth Congress, at an estimated cost of \$9,400,000.

The project for the Napa River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 222, Eighty-ninth Congress, at an estimated cost of \$14,950,000.

*Whitewater River Basin*

The project for flood protection on Tahquitz Creek, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 223, Eighty-ninth Congress, except that the amount of local contribution required due to enhancement of land shall be reduced by the amount of contribution determined on lands under Indian ownership at the time of project authorization and not subject to taxation due to Federal statutory restrictions. The amount of contribution on this basis is presently estimated at \$508,000. The estimated cost is \$3,442,000.

*Santa Ana River Basin*

The project for flood protection on Lytle and Warm Creeks, San Bernardino County, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 53, Eighty-ninth Congress, at an estimated cost of \$9,750,000.

*San Diego River Basin*

The project for flood protection on San Diego River (Mission Valley), California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 212, Eighty-ninth Congress, at an estimated cost of \$14,600,000, except that the Secretary of the Army is authorized to credit local interests against their required contribution to such project for any work done by such interests on such project after the date of enactment of this Act, if he approves such work as being in accordance with the project as otherwise authorized.

*Columbia River Basin*

The projects for the Lower Grande Ronde and Catherine Creek dams and reservoirs, Grande Ronde River and tributaries, Oregon, are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 280, Eighty-ninth Congress, at an estimated cost of \$20,440,000. The Chief of Engineers shall construct, operate, and maintain such projects.

The project for flood protection on Willow Creek, Oregon, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 233, Eighty-ninth Congress, at an estimated cost of \$6,680,000.

The project for acquisition of additional lands for waterfowl management at John Day lock and dam, Oregon and Washington, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 28, Eighty-ninth Congress, at an estimated cost of \$706,000, except that the parcels of land, in Oregon, between the Columbia River and the management area boundary within sections 3, 4, 10, and 11 of township 4 north, range 25 east, Willamette meridian, as shown on plate 1 of Senate Document Numbered 28, Eighty-ninth Congress, estimated at 611.02 acres, shall not be part of the management area, and the Secretary of the Army is authorized to purchase such additional lands in sections 22, 27, 29, and 30, township 5 north, range 26 east, Willamette meridian, outside the present indicated management area boundary on plate 1, as he determines necessary to replace the lands so excluded.

Sec. 205. That the flood control project for the Scioto River, Ohio, authorized in section 203 of the Flood Control Act of 1962, is hereby modified to authorize the construction of the local protection works at Chillicothe, Ohio, at such time as the reservoirs on Alum, Mill, Big Darby, and Deer Creeks are under construction. In the event the Mill Creek and Alum Creek Reservoirs are constructed by an agency other than the Federal Government, the Federal Government shall not construct such local protection works at Chillicothe, Ohio, until said agency shall furnish assurances satisfactory to the Secretary of the Army that (1) it will provide flood control storage in those reservoirs equivalent to that proposed for the Federal reservoir projects, as authorized by the Flood Control Act of 1962, in accordance with the plan set forth in House Document Numbered 587, Eighty-seventh Congress, and (2) that such reservoirs shall be operated for flood control in accordance with regulations prescribed by the Secretary of the Army.

Sec. 206. (a) That the Secretary of the Army is hereby authorized and directed to prepare under the direction of the Chief of Engineers, a comprehensive plan for the development and efficient utilization of the water and related resources of the region drained by streams which discharge, within the State of Michigan, into the Saint Clair River, Lake Saint Clair, the Detroit River and Lake Erie. Such plan may provide for importation of water from points not located within the region as defined above.

(b) Said comprehensive plan shall be designed to meet the long-range needs of the region for protection against floods, wise use of flood plain lands, improvement of navigation facilities, water supplies for industrial and municipal purposes, outdoor recreational facilities, the enhancement and control of water quality, and related purposes; all with a view to encouraging and supporting the optimum long-range economic development of the region and enhancing the welfare of its people.

Sec. 207. That the project for flood protection on the Minnesota River at Mankato and North Mankato, Minnesota, authorized in section 203 of the Flood Control Act of 1958 (Public Law 85-500, 72 Stat. 297) is hereby modified to authorize the Secretary of the Army to credit local interests against their required contribution to such project for any work done by such interests on such project after April 1, 1965, if he approves such work as being in accordance with such project as authorized.

Sec. 208. The Secretary of the Army is hereby authorized and directed to cause surveys for flood control and allied purposes, including channel and major drainage improvements, and floods aggravated by or due to wind or tidal effects, to be made under the direction of the Chief of Engineers, in drainage areas of the United States and its territorial possessions, which include the localities specifically named in this section. After the regular or formal reports made on any survey authorized by this section are submitted to Congress, no supplemental or additional report or estimate shall be made unless authorized by law except that the Secretary of the Army may cause a review of any examination or survey to be made and a report thereon submitted to Congress, if such review is required by the national defense or by changed physical or economic conditions.

Watersheds of streams in the North Atlantic region draining northward in New York toward the Saint Lawrence River below the international boundary and draining directly into the Atlantic Ocean above the Virginia-North Carolina State line with respect to a framework plan for developing the water resources of the region.

All streams flowing into the sounds of North Carolina between Cape Lookout and the Virginia line except those portions of the Neuse, Pamlico, and Roanoke Rivers above the estuarine reaches.

Watersheds of streams in the South Atlantic region draining directly to the Atlantic Ocean below the Virginia-North Carolina State line and draining directly into the Gulf of Mexico east of Lake Pontchartrain with respect to a framework plan for developing the water resources of the region.

The Rio Grande and its tributaries with respect to a framework plan for flood control and other purposes.

Watersheds of streams, washes, lakes, and their tributaries, which drain areas of the great basin region of Oregon, California, Nevada, Utah, Idaho, and Wyoming with respect to a framework plan for flood control and other purposes.

The Colorado River and tributaries above Lees Ferry, Arizona, with respect to a framework plan for flood control and other purposes.

The Colorado River and tributaries below Lees Ferry, Arizona, with respect to a framework plan for flood control and other purposes.

Watersheds of streams in the Pacific Northwest region which drain directly into the Pacific Ocean along the coastlines of Washington and Oregon with respect to a framework plan for developing the water resources of the region.

Watersheds of streams in California which drain directly into the Pacific Ocean and of

streams, washes, lakes, and their tributaries, which drain areas in the eastern portion of the California region with respect to a framework plan for developing the water resources of the region.

Kaneohe-Kailua area, Oahu, Hawaii.  
Terrebonne Parish, Louisiana (water supply).

Boyer River, Iowa.  
Keokuk, Iowa.  
Mississippi River, north of Dubuque, Iowa.  
Black Hawk Creek, Iowa.  
Mount Vernon, Indiana.  
Orange Lake Basin, Florida.  
Mayfield Creek, Kentucky.  
Hatchie River and Tributaries, Tennessee and Mississippi.  
Spoon River, Illinois.  
Grand (Neosho) River, Oklahoma and Kansas (including navigation).  
Verdigris River, Kansas.  
Verdigris River, Oklahoma and Kansas (including navigation).  
Arkansas River and tributaries at and above Tulsa, Oklahoma.  
Sanderson, Texas.  
Abbeville, South Carolina.

All streams which drain directly to Pacific Ocean from San Mateo County, California.  
Big Mineral Creek, Texas, particularly with reference to construction of a highway bridge.

Irondequoit Creek, New York, and tributaries, including Allens Creek, New York.

Coasts of Washington, Oregon, and California to determine advisability of protection work against storm and tidal waves.

SEC. 209. Notwithstanding the first proviso in section 201 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes", approved May 17, 1950 (64 Stat. 163), the authorization in section 204 of such Act of projects for local protection on the Yakima River at Ellensburg, Washington, shall expire on June 10, 1970, unless local interests shall before such date furnish assurances satisfactory to the Secretary of the Army that the required local cooperation in such project will be furnished.

SEC. 210. The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to replace the roads described and set forth in the provisions of their contract numbered DA-41-443-eng-939 with Hill County, Texas, which are subject to flooding; such roads being a part of the Whitney Dam and Reservoir project, Whitney, Texas, authorized by the Flood Control Act of December 22, 1944, at an estimated cost of \$130,000.

SEC. 211. (a) The Secretary of the Army is authorized and directed to convey to the Tennessee Society for Crippled Children and Adults, Incorporated, subject to the provisions of this section, all of the right, title, and interest of the United States in and to that portion of the tract of land lying above elevation 454 feet mean sea level now occupied by such Society at the Old Hickory lock and dam, Cumberland River, Tennessee, under a lease executed by the Secretary of the Army and dated February 10, 1958.

(b) The conveyance authorized by this section shall be made upon payment to the United States of the fair market value of the property as determined by the Secretary of the Army, and upon such terms, conditions, reservations, and restrictions as he shall deem necessary to protect the interests of the United States. In determining the fair market value of the property, the Secretary shall exclude the value of any improvements made by or at the expense of the Tennessee Society for Crippled Children and Adults, Incorporated.

(c) The cost of any surveys necessary as an incident of the conveyance authorized by this section shall be borne by the Tennessee

Society for Crippled Children and Adults, Incorporated.

(d) Title to the property authorized to be conveyed by this section shall revert to the United States, which shall have the right of immediate entry thereon, if the Tennessee Society for Crippled Children and Adults, Incorporated, shall ever cease to use such property for recreation and camping purposes.

SEC. 212. The authorized Justice Reservoir on the Guyandot River, West Virginia, hereafter shall be known and designated as the R. D. Bailey Reservoir. Any law, regulation, map, document, record, or other paper of the United States in which the authorized Justice Reservoir is referred to shall be held to refer to such reservoir as the R. D. Bailey Reservoir.

SEC. 213. In recognition of the flood control accomplishments of the water resource project proposed to be constructed on Callispell Creek, Washington, by the Pend Oreille County Public Utility District Number One, there is hereby authorized to be appropriated a monetary contribution toward the construction cost of such project and the amount of such contribution shall be determined by the Secretary of the Army, subject to a finding by him approved by the President, of economic justification for allocation of the amount of flood control, such funds to be administered by the Secretary of the Army. Prior to making the monetary contribution or any part thereof, the Secretary of the Army and the Pend Oreille County Public Utility District Number One, shall have entered into an agreement providing for operation of the proposed project in such manner as will produce the flood control benefits upon which the monetary contribution is predicated, and such operation of the project for flood control shall be in accordance with rules prescribed by the Secretary of the Army pursuant to the provisions of section 7 of the Flood Control Act of 1944 (58 Stat. 890). Unless construction of the project is undertaken within three years from the date of enactment of this section, the authority for the monetary contribution contained herein shall expire.

SEC. 214. The Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with the State of New York, political subdivisions thereof, and appropriate agencies and instrumentalities thereof, and with other departments, agencies, and instrumentalities of the United States, in the preparation of comprehensive plans for the development, utilization, and conservation of the water and related resources of drainage basins within the State of New York, and to submit to Congress reports and recommendations with respect to appropriate participation by the Department of the Army in carrying out such plans.

SEC. 215. The Act entitled "An Act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities at reservoir areas", approved September 14, 1961 (75 Stat. 509), is hereby amended by striking out "before November 1, 1956".

SEC. 216. The Secretary of the Army is hereby authorized and directed to cause to be made, under the direction of the Chief of Engineers, an investigation and study of San Francisco Bay, California, including San Pablo Bay, Suisun Bay, and other adjacent bays and tributaries thereto, with a view toward determining the feasibility of, and extent of Federal interest in, measures for waste disposal and water quality control and allied purposes.

SEC. 217. The Secretary of the Army shall pay to any bona fide lessee or permittee owning improvements, which are or which were totally situated or partially situated on a railroad right-of-way, the fair value of such improvements, which have been or will be rendered inoperative or be otherwise ad-

versely affected by the construction of the Milford Dam and Reservoir project on the Republican River, Kansas, as determined by the Secretary, or by the United States District Court for the District of Kansas on which is conferred jurisdiction for this purpose. In no case shall the owner of such improvements receive dual compensation for any part of said improvements as a result of this section or otherwise. The Secretary of the Army is authorized to provide the funds necessary to carry out the provisions of this section from any moneys appropriated for the construction of the Milford Dam and Reservoir project.

SEC. 218. The Secretary of the Army shall reimburse any common carrier by railroad for the cost of protective works constructed by such carrier during the years 1965 and 1966 along the banks of the Eel River, California, to deter recurrence of damage to such banks by floods or high waters, but such reimbursement shall not exceed \$3,000,000.

SEC. 219. The Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to accept orders from other Federal departments and agencies for work or services and to perform all or any part of such work or services by contract.

SEC. 220. Section 206(b) of the Flood Control Act of 1960 (33 U.S.C. 709a) is amended by striking out "\$1,000,000" and inserting in lieu thereof "\$2,500,000".

SEC. 221. The Joanna Dam proposed for construction at or near mile 63 of the Salt River near Joanna, Missouri, and the Joanna Reservoir to be created by such dam, authorized to be constructed by section 203 of the Flood Control Act of 1962 (76 Stat. 1180), shall be known and designated hereafter as the Clarence Cannon Dam and Reservoir. Any law, regulation, map, document, or record of the United States in which such dam and reservoir are referred to as the Joanna Dam and Reservoir shall be held to refer to such dam and reservoir as the Clarence Cannon Dam and Reservoir.

SEC. 222. Title II of this Act may be cited as the "Flood Control Act of 1965".

#### TITLE III—RIVERS AND HARBORS

SEC. 301. The following works of improvement of rivers and harbors and other waterways for navigation, flood control, and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers, in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in the respective reports hereinafter designated. The provisions of section 1 of the River and Harbor Act approved March 2, 1945 (Public Law Numbered 14, Seventy-ninth Congress, first session), shall govern with respect to projects authorized in this title; and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto, shall apply as if herein set forth in full.

#### Navigation

Weymouth-Fore and Town Rivers, Boston Harbor, Massachusetts: House Document Numbered 247, Eighty-eighth Congress, at an estimated cost of \$12,500,000;

Providence River and Harbor, Rhode Island: Senate Document Numbered 93, Eighty-eighth Congress, at an estimated cost of \$13,900,000;

Rondout Harbor, New York: House Document Numbered 288, Eighty-ninth Congress, at an estimated cost of \$20,000;

New York and New Jersey Channels-Entrance to Kill Van Kull from Upper New York Bay: House Document Numbered 108, Eighty-ninth Congress, at an estimated cost of \$2,581,000;

New York Harbor, New York (Anchorage Areas): Senate Document Numbered 17,



Eighty-ninth Congress, at an estimated cost of \$44,852,000;

Shrewsbury River, New Jersey: House Document Numbered 274, Eighty-ninth Congress, at an estimated cost of \$4,090,000;

Tred Avon River, Talbot County, Maryland: House Document Numbered 225, Eighty-ninth Congress, at an estimated cost of \$323,000;

Potomac and Anacostia Rivers—Removal of Drift in the Washington Metropolitan Area: House Document Numbered 286, Eighty-ninth Congress, maintenance;

Channel to Newport News and Norfolk Harbor, Hampton Roads, Virginia: House Document Numbered 143, Eighty-ninth Congress, at an estimated cost of \$7,095,000;

Channel to Newport News, Norfolk Harbor, and Thimble Shoal Channel, Virginia: House Document Numbered 187, Eighty-ninth Congress, at an estimated cost of \$25,600,000;

Hampton Creek, Virginia: House Document Numbered 201, Eighty-ninth Congress, modification of items of local cooperation;

Cape Fear River, North Carolina: House Document Numbered 252, Eighty-ninth Congress, at an estimated cost of \$1,510,000;

Savannah Harbor, Georgia: House Documents Numbered 226 and 263, Eighty-ninth Congress, at an estimated cost of \$13,569,000.

The plan recommended by the Chief of Engineers in House Document Numbered 263, Eighty-ninth Congress, shall include facilities to mitigate damages to presently improved areas southeast of the Savannah Wildlife Refuge at an estimated additional cost of \$40,000. The Chief of Engineers may include additional facilities to mitigate damages to additional lands southeast of the Savannah Wildlife Refuge if he determines them to be necessary and justified, at an estimated additional cost of \$60,000. All such facilities to mitigate damages shall be maintained by local interests.

Jacksonville Harbor, Florida: House Document Numbered 214, Eighty-ninth Congress, at an estimated cost of \$8,484,000;

Ponce de Leon Inlet, Florida: House Document Numbered 74, Eighty-ninth Congress, at an estimated cost of \$1,104,000;

Broward County and Hillsboro Inlet, Florida: House Document Numbered 91, Eighty-ninth Congress, at an estimated cost of \$1,093,000;

East Pass Channel From the Gulf of Mexico into Choctawhatchee Bay, Florida: House Document Numbered 194, Eighty-eighth Congress, at an estimated cost of \$1,151,000;

Perdido Pass Channel, Alabama: Senate Document Numbered 94, Eighty-eighth Congress, at an estimated cost of \$625,000;

Bayou La Batre, Alabama: House Document Numbered 327, Eighty-eighth Congress, at an estimated cost of \$262,000;

Mermentau River, Louisiana: House Document Numbered 239, Eighty-ninth Congress, at an estimated cost of \$2,690,000;

Alpena Harbor, Michigan: House Document Numbered 151, Eighty-eighth Congress, at an estimated cost of \$806,000. In order to compensate for existing low water levels in Lake Huron, an additional increment of one foot in channel depth is hereby authorized;

Frankfort Harbor, Michigan: Senate Document Numbered 16, Eighty-ninth Congress, at an estimated cost of \$237,000;

Lexington Harbor, Michigan: House Document Numbered 301, Eighty-eighth Congress, at an estimated cost of \$570,000, except that the modified recommendations of the Chief of Engineers and the Secretary of the Army, contained in letter of April 5, 1965, from the Department of the Army to the Committee on Public Works of the United States Senate, shall apply with respect to recreational fishing facilities on the main breakwater;

Saginaw River, Michigan: House Document Numbered 240, Eighty-ninth Congress, at an estimated cost of \$437,000;

Cedar River Harbor, Michigan: House Document Numbered 248, Eighty-ninth Congress, at an estimated cost of \$664,000;

Ashtabula Harbor, Ohio: House Document Numbered 269, Eighty-ninth Congress, at an estimated cost of \$1,840,000;

Rocky River Harbor, Ohio: House Document Numbered 352, Eighty-eighth Congress, at an estimated cost of \$235,000;

The project for Lorain Harbor, Ohio, authorized in section 101 of the River and Harbor Act of 1960 (Public Law 86-645; 74 Stat. 480) is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct a steel bulkhead at cut numbered 1. Local interests shall contribute to the cost of the project an amount equal to the value of the land on the date of the original authorization of this project that would have been required for cut numbered 1, but for this modification.

West Harbor, Ohio: House Document Numbered 245, Eighty-eighth Congress, at an estimated cost of \$544,000;

Indiana Harbor, Indiana: House Document Numbered 227, Eighty-ninth Congress, at an estimated cost of \$96,000;

Burns Waterway Harbor, Indiana: House Document Numbered 160, Eighty-eighth Congress, at an estimated cost of \$25,000,000. In view of the willingness of the State of Indiana to construct, maintain, and operate a deep-draft public harbor in that vicinity, there is hereby authorized to be appropriated a monetary contribution toward the construction cost of such a harbor according to a design agreed upon by the Secretary of the Army and the State of Indiana, subject to the following conditions: (1) The amount of such contribution shall be determined by the Secretary of the Army, in cooperation with the State of Indiana, and approved by the President; (2) such amount shall not exceed the cost to the United States of constructing an equivalent Federal harbor at the same site; (3) prior to the time that the monetary contribution, or any part thereof, is made available to the State of Indiana the Secretary of the Army and the State of Indiana shall have entered into an agreement providing for the operation of the harbor essentially as it would be operated by the Secretary of the Army had it been constructed as a Federal harbor; (4) no fees or tolls shall be charged for entrance to the outer harbor; (5) any other fees or charges collected by the State of Indiana shall not be used to cover any part of the contribution made by the Federal Government under this Act; (6) any funds appropriated under this authorization shall be administered by the Secretary of the Army and made available to the State of Indiana over the period of construction in proportion to the proposed annual expenditures of the State for construction of the outer harbor; and (7) at least sixty days prior to the date on which the Secretary of the Army makes available to the State of Indiana the initial installment of the monetary contribution authorized by this Act, he shall submit to the Committees on Public Works of the Senate and the House of Representatives a letter report setting forth the basis for his determination under clause (1) above. Unless construction of the harbor is initiated within five years from the date of the enactment of this Act, the authority for the monetary contribution contained in this paragraph shall expire. Neither this paragraph nor the construction authorized by this paragraph shall adversely affect or otherwise prejudice the establishment of all or any part of the Indiana dunes as a national lakeshore.

Chocolate Bayou, Texas: House Document Numbered 217, Eighty-ninth Congress, at an estimated cost of \$1,254,000;

Houston Ship Channel (Greens Bayou), Texas: House Document Numbered 257, Eighty-ninth Congress, at an estimated cost of \$470,000;

Trinity River and tributaries, Texas: House Document Numbered 276, Eighty-ninth Congress, including navigation, except that the recommendations of the Board of Engineers for Rivers and Harbors, dated March 14, 1963, shall apply, and there is hereby authorized \$83,000,000 for initiation and partial accomplishment of the project.

San Francisco Bay to Stockton, California: House Document Numbered 208, Eighty-ninth Congress, at an estimated cost of \$46,853,000. The works for wavewash protection within the limits of the modified San Joaquin River navigation project shall be repaired or restored by the United States as determined to be necessary by the Secretary of the Army over the life of the project.

Crescent City Harbor, California: House Document Numbered 264, Eighty-ninth Congress, at an estimated cost of \$1,980,000;

Bodega Bay, California: House Document Numbered 106, Eighty-ninth Congress, at an estimated cost of \$853,000;

Port San Luis, San Luis Obispo Harbor, California: House Document Numbered 148, Eighty-eighth Congress, at an estimated cost of \$6,360,000;

Oceanside Harbor, California: House Document Numbered 76, Eighty-ninth Congress, maintenance. The Secretary of the Army is authorized to reimburse local interests for any work done by such interests on such project after August 1, 1965, if he approves such work as being in accordance with the project as otherwise authorized.

Port Orford, Oregon: Senate Document Numbered 62, Eighty-eighth Congress, at an estimated cost of \$696,000;

Chetco River, Oregon: Senate Document Numbered 21, Eighty-ninth Congress, at an estimated cost of \$1,308,000;

Tillamook Bay and Bar, Oregon: Senate Document Numbered 43, Eighty-ninth Congress, at an estimated cost of \$9,000,000;

Edmonds Harbor, Washington: House Document Numbered 147, Eighty-eighth Congress, maintenance;

Coasts of the Hawaiian Islands, harbors for light-draft vessels, Hawaii: House Document Numbered 353, Eighty-eighth Congress, at an estimated cost of \$4,737,000;

Honokahau Harbor, Hawaii: House Document Numbered 68, Eighty-ninth Congress, at an estimated cost of \$680,000;

Honolulu Harbor and Barbers Point Harbor, Oahu, Hawaii: House Document Numbered 93, Eighty-ninth Congress, at an estimated cost of \$9,928,000;

Kawaihae Harbor, Hawaii: House Document Numbered 75, Eighty-ninth Congress, at an estimated cost of \$2,291,000;

#### Beach erosion

Cliff Walk, Newport, Rhode Island: House Document Numbered 228, Eighty-ninth Congress, at an estimated cost of \$340,000;

Perth Amboy, New Jersey: House Document Numbered 186, Eighty-ninth Congress, at an estimated cost of \$82,000;

Atlantic City, New Jersey: House Document Numbered 325, Eighty-eighth Congress, periodic nourishment;

Hunting Island Beach, South Carolina: House Document Numbered 323, Eighty-eighth Congress, at an estimated cost of \$319,000;

Duval County, Florida: House Document Numbered 273, Eighty-ninth Congress, at an estimated cost of \$2,266,000;

Fort Pierce, Florida: House Document Numbered 84, Eighty-ninth Congress, at an estimated cost of \$220,000;

Evanston, Illinois: House Document Numbered 159, Eighty-ninth Congress, at an estimated cost of \$392,000;

Haleiwa Beach, Oahu, Hawaii: House Document Numbered 107, Eighty-ninth Congress, at an estimated cost of \$572,000;

Waikiki Beach, Hawaii: House Document Numbered 104, Eighty-ninth Congress, at an estimated cost of \$2,490,000.

Sec. 302. Section 104 of the River and Harbor Act of 1958 (72 Stat. 297, 300), as amended by section 104 of the River and Harbor Act of 1962 (76 Stat. 1173, 1180), is hereby further amended to read as follows:

"Sec. 104. (a) There is hereby authorized a comprehensive program to provide for control and progressive eradication of waterhyacinth, alligatorweed, Eurasian watermilfoil, and other obnoxious aquatic plant growths, from the navigable waters, tributary streams, connecting channels, and other allied waters of the United States, in the combined interest of navigation, flood control, drainage, agriculture, fish and wildlife conservation, public health, and related purposes, including continued research for development of the most effective and economic control measures, to be administered by the Chief of Engineers, under the direction of the Secretary of the Army, in cooperation with other Federal and State agencies. Local interests shall agree to hold and save the United States free from claims that may occur from control operations and to participate to the extent of 30 per centum of the cost of such operations. Costs for research and planning undertaken pursuant to the authorities of this section shall be borne fully by the Federal Government.

"(b) There are authorized to be appropriated such amounts, not in excess of \$5,000,000 annually, as may be necessary to carry out the provisions of this section. Any such funds employed for control operations shall be allocated by the Chief of Engineers on a priority basis, based upon the urgency and need of each area, and the availability of local funds."

Sec. 303. The consent of Congress is hereby granted for the purposes of section 9 of the Act of March 3, 1899 (33 U.S.C. 401), to the State of Pennsylvania, to construct a dam on the Susquehanna River, downstream from the Bainbridge Street Bridge at Sunbury, Pennsylvania.

Sec. 304. The Secretary of the Army is hereby authorized and directed to cause surveys to be made at the following locations and subject to all applicable provisions of section 110 of the River and Harbor Act of 1950:

Jonesport Harbor, Maine.

Blue Hill Harbor, Maine.

Great and Little Bays and their tributaries, New Hampshire, and adjoining tributaries of the Piscataqua River, New Hampshire and Maine, with a view to determining the advisability of providing improvements in the interest of navigation and allied purposes.

Popponesset Bay, Massachusetts.

Niagara River, New York, with respect to nature and extent of measures necessary to preserve and enhance the scenic beauty of the American Falls.

Great Lakes and Saint Lawrence Seaway: Investigation and study of means of extending the navigation season on the waterways at an estimated cost not to exceed \$75,000. Report to include a full and complete investigation and study of waterway deicing systems, including a review of any previous pertinent reports by the Department of the Army, any available information from any of the other departments of the Government, and waterway deicing methods in use by private concerns and foreign governments, for the purpose of determining the practicability, means, and economic justification for extending the navigation season on the Great Lakes (including connecting channels and harbors) and the Saint Lawrence Seaway by eliminating ice conditions to the extent possible. The Chief of Engineers may submit such interim reports as may be deemed advisable, and shall submit his final reports, together with his recommendations for such legislation and administrative actions as he may deem advisable, not later

than two years after funds are made available for the study.

Lake Dauterive and Chareton Floodgate, Louisiana.

Dickinson Bayou, Texas.

Manchester Harbor, Washington.

Gulfport Harbor, Mississippi.

Calumet River, Illinois.

Gulf Intracoastal Waterway, from about mile 29 West of Harvey Lock to U.S. Highway No. 90 in vicinity of Boutte, Louisiana.

Intracoastal Waterway from the Caloosahatchee River to the Withlacoochee River, Florida, with a view to determining the advisability of modifying the project, with particular reference to provision for a side channel or connecting channel improvement through Cross Bayou to Old Tampa Bay, in the vicinity of Howard Frankland Bridge, for navigation, flood control, and related purposes.

San Francisco County, California (beach erosion).

Lake Michigan Shoreline, Milwaukee County, Michigan (beach erosion).

Indian River County, Florida (beach erosion).

Marquette County, Michigan.

Sec. 305. The first proviso in the paragraph which begins "James River, Virginia:" in section 101 of the River and Harbor Act of 1962 (Public Law 87-874) is amended by striking out "after a period of five years from the date of approval of this Act unless the Governor of Virginia has endorsed the project within that time" and inserting in lieu thereof "October 23, 1971, unless the Governor of Virginia has endorsed the project by that date".

Sec. 306. Section 107 of the River and Harbor Act of 1948 (62 Stat. 1174) is amended by striking out "\$5,000" and inserting in lieu thereof "\$22,000".

Sec. 307. That portion of the East River, in New York County, State of New York, lying between the south line of East Seventeenth Street, extended eastwardly, the United States pierhead line as it existed on July 1, 1965, and the south line of East Thirtieth Street, extended eastwardly, is hereby declared to be not a navigable water of the United States within the meaning of the Constitution and the laws of the United States.

Sec. 308. The old channel of the River Raisin in Monroe County, Michigan, lying between the Monroe Harbor range front light and Raisin Point, its entrance into Lake Erie, is declared to be not a navigable stream of the United States within the meaning of the Constitution and the laws of the United States, and the consent of Congress is hereby given for the filling in of the old channel by the riparian owners on such channel.

Sec. 309. Section 111 of the River and Harbor Act of 1958 (72 Stat. 303) is amended to read as follows:

"Sec. 111. Whenever, during the construction or reconstruction of any navigation, flood control, or related water development project under the direction of the Secretary of the Army, the Chief of Engineers determines that any structure or facility owned by an agency of government and utilized in the performance of a governmental function should be protected, altered, reconstructed, relocated, or replaced to meet the requirements of navigation or flood control, or both; or to preserve the safety or integrity of such facility when its safety or usefulness is determined by the Chief of Engineers to be adversely affected or threatened by the project, the Chief of Engineers may, if he deems such action to be in the public interest, enter into a contract providing for (1) the payment from appropriations made for the construction or maintenance of such project, of the reasonable cost of replacing,

relocating, or reconstructing such facility to such standard as he deems reasonable but not to exceed the minimum standard of the State or political subdivision for the same type of facility involved, except that if the existing facility exceeds the minimum standard of the State or political subdivision, the Chief of Engineers may provide a facility of comparable standard, or (2) the payment of a lump sum representing the estimated reasonable cost thereof. This section shall not be construed as modifying any existing or future requirement of local cooperation, or as indicating a policy that local interests shall not hereafter be required to assume costs of modifying such facilities. The provisions of this section may be applied to projects hereafter authorized and to those heretofore authorized but not completed as of July 3, 1958, and notwithstanding the navigation servitude vested in the United States, they may be applied to such structures or facilities occupying the beds of navigable waters of the United States."

Sec. 310. (a) (1) Subsection (a) of section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) is amended by striking out "\$2,000,000" and inserting in lieu thereof "\$10,000,000".

(2) Subsection (b) of such section 107 is amended by striking out "\$200,000" and inserting in lieu thereof "\$500,000".

(b) Section 3 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946, as amended (33 U.S.C. 426g), is amended (1) by striking out "\$3,000,000" and inserting in lieu thereof "\$10,000,000", and (2) by striking out "\$400,000" and inserting in lieu thereof "\$500,000".

(c) The amendments made by this section shall not apply to any project under contract for construction on the date of the enactment of this Act.

Sec. 311. The project for Calumet Harbor and River, Illinois and Indiana, as authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), is modified in order to authorize the Chief of Engineers, under the direction of the Secretary of the Army, to provide at Federal cost (1) such protection for the Elgin, Joliet, and Eastern Railway bridge over the Calumet River, Chicago, Illinois, as is necessary to permit dredging of the full width of the south draw to the depth of twenty-seven feet, (2) such temporary protection for the center pier and the south abutment of the New York, Chicago, and Saint Louis Railroad bridge (Nickel Plate) as is necessary to permit dredging of the full width of the south bridge draw to the depth of twenty-seven feet prior to its replacement, and (3) such modification of the channel limits as is necessary to insure full use of each such draw.

Sec. 312. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a complete investigation and study of water utilization and control of the Chesapeake Bay Basin, including the waters of the Baltimore Harbor and including, but not limited to, the following: navigation, fisheries, flood control, control of noxious weeds, water pollution, water quality control, beach erosion, and recreation. In order to carry out the purposes of this section, the Secretary, acting through the Chief of Engineers, shall construct, operate, and maintain in the State of Maryland a hydraulic model of the Chesapeake Bay Basin and associated technical center. Such model and center may be utilized, subject to such terms and conditions as the Secretary deems necessary, by any department, agency, or instrumentality of the Federal Government or of the States of Maryland, Virginia, and Pennsylvania, in connection with any research, investigation, or



study being carried on by them of any aspect of the Chesapeake Bay Basin. The study authorized by this section shall be given priority.

(b) There is authorized to be appropriated not to exceed \$8,500,000 to carry out this section.

SEC. 313. (a) The Act approved December 21, 1944 (58 Stat. 846), authorizing the City of Clinton Bridge Commission to acquire, construct, maintain, and operate a bridge or bridges, including approaches thereto, across the Mississippi River at or near the cities of Clinton, Iowa, and Fulton, Illinois, is hereby revived and reenacted. This section (including the amendments made by this section) shall be null and void insofar as it authorizes the construction of a bridge or bridges unless actual construction thereof be commenced within three years and completed within five years from the date of the enactment of this section.

(b) Section 5 of such Act is amended to read as follows:

"Sec. 5. (a) The commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge, or bridges as may be acquired, reconstructed, or constructed, as herein provided, and approaches (including the approach highways, which, in the judgment of the commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connections with existing improved highways) and the necessary land easements and appurtenances thereto, by an issue or issues of negotiable bonds of the commission, bearing interest, payable semiannually, at the rate of not more than 6 per centum per annum, the principal and interest of which bonds shall be payable solely from the funds provided in accordance with this Act, and such payments may be further secured by mortgage of the bridge or bridges. All such bonds may be registrable as to principal alone or both principal and interest, shall be payable as to principal within not to exceed twenty-five years from the date thereof, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the commission may determine, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge or bridges, acquired or constructed, and approaches and the land easements, and appurtenances used in connection therewith, when added to any other funds made available to the commission for the use of said purposes. The commission may reserve the right to redeem any or all of said bonds before maturity in such manner and at such price or prices not exceeding 105 and accrued interest as may be fixed by the commission prior to the issuance of the bonds. Subject to the provisions of any prior contracts or obligations the commission may disburse any available bridge revenues or other funds or borrow money and issue its negotiable interest-bearing notes in evidence thereof to defray the cost of designing, engineering, and planning a new bridge or bridges under this Act and acquire lands for the location and approaches thereto, provided that all notes evidencing the funds so borrowed, if not previously paid from such bridge revenues, shall be repaid from the proceeds of the bonds of the commission when issued for account of such new bridge or bridges. In the event the commission issues notes as hereinbefore in this section provided and said notes have not been otherwise paid and a new bridge or bridges are not built, said notes shall be paid from revenues derived from the operation of any other bridge or bridges owned by the commission, subject to the obligation of payment of all outstanding indebtedness for

which said revenues have been theretofore pledged. The commission when it deems it advisable may issue refunding bonds to refinance any outstanding bonds, and to pay any other indebtedness of the commission, at maturity or before maturity when called for redemption, and may include, as a part of an issue of bonds to provide for the cost of a bridge to be constructed under this Act, sufficient additional bonds bearing interest at a rate or rates not exceeding 6 per centum per annum to refinance any outstanding bonds and notes at maturity or before maturity when called for redemption. The commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission in respect to the acquisition, construction, maintenance, operation, repair, and insurance of the bridge or bridges, the conservation and application of all funds, the security for the payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

"(b) Such bonds may be sold at not less than par after public advertisement for bids to be opened publicly at the time and place stated in such advertisement and at the price bid which will yield the greatest return to the commission for the bonds to be sold. Such advertisement for bids shall be published at least once each week for at least two consecutive weeks in a newspaper or financial journal having recognized circulation among bidders for bonds of the type and character offered. The price to be paid for the bridge or bridges acquired hereunder shall not exceed the reasonable value thereof as determined by the commission at the time of acquisition. The cost of the bridge to be constructed as provided herein, together with the approaches and approach highways, shall be deemed to include interest during construction of the bridge and for twelve months thereafter, and all engineering, legal, financing, architectural, traffic surveying, condemnation, and other expenses incident to the bridge and the acquisition of the necessary property, including the cost of acquiring existing franchises and riparian rights relating to the bridge, as well as the cost of abandonment or dismantlement of any existing bridge to be replaced thereby. If the proceeds of the bonds shall exceed the cost as finally determined, the excess shall be placed in the fund hereafter provided to pay the principal and interest of such bonds. Prior to the preparation of definitive bonds the commission may, under like restrictions, issue temporary bonds or may, under like restrictions, issue temporary bonds or interim certificates without coupons, of any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery."

(c) Subsection (a) of section 8 of such Act of December 21, 1944, as amended, is amended by striking out "the bonds and interest," and inserting in lieu thereof: "the bonds, the notes issued under section 5 of this Act, and the interest."

(d) The right to alter, amend, or repeal this section is hereby expressly reserved.

SEC. 314. The Act entitled "An Act creating the Muscatine Bridge Commission and authorizing said Commission and its successors to acquire by purchase or condemnation and

to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near the city of Muscatine, Iowa, and the town of Drury, Illinois", approved July 26, 1956 (70 Stat. 669), as amended by the Act of April 27, 1962 (76 Stat. 59), is amended by inserting immediately after section 14 the following new section:

"Sec. 15. The Commission and its successors and assigns are authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at or near the city of Muscatine, Iowa, and the town of Drury, Illinois, subject to the provisions of this Act; except that the authority granted by this section shall cease and be null and void unless the actual construction of such bridge is commenced within three years and completed within five years from the date of enactment of this section."

SEC. 315. The Secretary of the Army shall transmit to the Committees on Public Works of the Senate and the House of Representatives not later than June 30, 1968, a suggested draft of legislation revising and codifying the general and permanent laws relating to civil works projects by the Corps of Engineers for navigation, beach erosion control, flood control, and related water resources development. The Secretary shall also submit a report explaining the proposed legislation, and making specific reference to each change in or omission of any provision of existing law.

SEC. 316. The Secretary of the Army, acting through the Chief of Engineers, shall make a study of the need for, and the feasibility of, the Federal Government reimbursing States, political subdivisions thereof, and other public entities, for expenditures incurred by them in connection with authorized projects for improvement of rivers and harbors and other waterways for navigation, flood control, hurricane protection, beach erosion control, and other water resources development purposes, to the extent that such expenditures are incurred after the initiation of the survey studies which form the basis for such authorized projects. The Secretary shall report to Congress, not later than January 31, 1967, the results of such study together with his recommendations in connection therewith.

SEC. 317. Title III of this Act may be cited as the "River and Harbor Act of 1965".

Mr. McNAMARA. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. McGOVERN in the chair) appointed Mr. McNAMARA, Mr. RANDOLPH, Mr. MUSKIE, Mr. GRUENING, Mr. MOSS, Mr. COOPER, and Mr. FONG conferees on the part of the Senate.

#### FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. MORSE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 25, it is proposed to strike out "\$1,170,000,000" and insert in lieu thereof "\$878,000,000".

Mr. MORSE. Mr. President, on my amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, the amendment would reduce the amount to be appropriated for military assistance by 25 percent. It would reduce the appropriation from \$1,170 million to \$878 million. The amendment would leave to the discretion of the President the way in which he would apply the reduced amount.

I would be willing to apply to economic assistance the amount saved by a reduction of military assistance. That would mean that approximately \$292 million additional would be available for economic assistance. I say to the administrators that \$292 million for economic assistance would be worth billions in goodwill and understanding.

I hope that there will be a reduction in the wasteful, inefficient military aid program. Again, I merely cite and stand on the authority of the reports of the Comptroller General of the United States which, over the years, have been filed with the Senate, but which I fear too few Senators have read, although I bring them to the floor of the Senate each year.

I have presented other Comptroller General reports on the floor of the Senate each year and called them to the attention of the Senate. As I said in my speech last night, the reports this year measured over 24 inches high. Each report is the dimension of Time magazine so far as the size of the report is concerned. The reports contain devastating findings in regard to the inefficiency and waste and the cause of corruption in both our military and economic aid all around the world.

Most reports on military aid are marked "confidential" and "secret." We cannot make them available to the American people, who are entitled to know what is contained in the reports. However, under the rules I have been able in the last 2 years to read the titles of the reports. The titles will be found in the speeches that I made against foreign aid this year. All one has to do is to read the titles. Let me say that the contents of the reports bear out the titles. The titles indicate very clearly the great abuse that exists in connection with foreign aid.

The Comptroller General in testimony this year spoke of the serious criticism of the Comptroller General's findings in regard to the Defense Establishment in respect to the military foreign aid. All I ask is that we start to eliminate this great waste.

My proposal to reduce the military aid by 25 percent would not at all, in my judgment, weaken either the security of the United States or the security of any ally, real or potential.

Next year, when the foreign aid bill is before us, I hope that I shall be able in

good conscience to recommend an increase in economic aid, not only by the dollar amounts that I am seeking to eliminate from military aid now, but also, if Congress would go along with an economic aid program—based not on a giveaway program, based not on a soft currency program to any degree, based not on a program that involves too high a percentage of grants—based upon an economic program related to hard loans dealing with economic projects that would help raise the economic standard of living of the people, and help the beneficiaries of those projects. I would be willing to vote \$2 in that kind of economic aid for every dollar of savings that we make for the American taxpayer in military aid.

In my judgment our military aid is not helping to protect freedom. It is helping to spread communism in the world. If the \$292 million is spent for military assistance, in my judgment it will buy the American people the equivalent of billions of ill will. It is time now for us to start the process of trimming military assistance at every opportunity.

If we were ever to begin to reduce these military appropriations and shift them to economic development purposes, I would still insist that new economic aid be handled on a better basis than is now the case. However, in case someone may not fully understand my amendment, my amendment bears no relationship whatever to any expenditures in South Vietnam. My amendment would leave it to the President to distribute the savings in military aid.

I well know, Mr. President, that if we continue this unconscionable war in South Vietnam, we shall have to appropriate hundreds of millions, and probably billions of dollars, in the next few years to give adequate protection by way of equipment and supplies to American boys who have been sent over there to fight, and many of them to die, in this undeclared war.

A few weeks ago in the debate on the defense appropriation budget, some Senators were raising the question, "I wonder what the senior Senator from Oregon is going to do now. It will be interesting, will it not, to see whether the senior Senator from Oregon will vote for this military appropriation bill." I answered those Senators who thought they were raising an embarrassing argument. I said that I would continue to do everything I could to try to get my country to change its ill-advised course of illegal warmaking in southeast Asia. However, as long as we are sending boys into Asia to die for a cause that I think we never should have started in the first place, I intend to vote for whatever appropriations are necessary to give them the maximum amount of protection. I intend to continue working as hard as I can, and later today I shall have some comments on a law memorandum, prepared by a group of American lawyers, which soundly criticizes—and sets forth the legal answers in support of its criticism—America's position in southeast Asia from the standpoint of our international law obligations.

Mr. President, I oppose the war in southeast Asia in the absence of a declaration of war until the President of the United States decides to get back inside the Constitution of the United States and decides that he has an obligation to live up to the obligations of the Constitution. Woodrow Wilson taught that lesson on the night of April 17, 1917, when he came before a joint session of the Congress and told Congress that he was without constitutional authority as a President of the United States to conduct a war in the absence of a declaration of war. Franklin Roosevelt taught the present President of the United States—if he would learn the lesson—when he came before a joint session of the Congress after Pearl Harbor and made it perfectly clear that, under the Constitution, the President of the United States is obligated to recommend a declaration of war before sending American boys to die in a war.

That has been my position as I have battled away on the floor of the Senate for more than 4 years for the substitution of a rule of law for the jungle law of the claw that my Government is applying in an undeclared war in southeast Asia.

Let me make it very clear that my amendment would not in any way affect the expenditure of funds in southeast Asia in the protection and defense of American boys. However, it would say to the President, "Mr. President, we think the military aid program contained in this bill is excessive, and we vote to reduce it by 25 percent; but we leave it up to you to make the decisions as to where the savings in military aid shall be made."

The interests of the United States demand that we stop arming the world against itself, that we start helping people to better their lives, and, finally, that we provide the help not on a dole basis, but on the basis of giving recipients a chance to be proud of their own effort toward self-help.

It was necessary for the chairman of the Committee on Foreign Relations, the Senator from Arkansas [Mr. FULBRIGHT] to leave the floor of the Senate momentarily because of official business elsewhere. If he were present, he would verify what I now say. I see the Senator from Idaho [Mr. CHURCH], and the Senator from Missouri [Mr. SYMINGTON], both of them members of the Committee on Foreign Relations, present on the floor.

The objectives of the amendment I am offering this afternoon were discussed at great length time and time again in the Committee on Foreign Relations during this session. For example, on April 1, 1965, the Committee on Foreign Relations, while considering a markup on the foreign aid bill, voted by a vote of 11 to 3 to cut the military aid section of the bill by \$115 million.

The Pentagon went to work. We received calls from their top lobbyists, seeking to restore the \$115 million.

An interesting discussion ensued. At a later meeting of the Foreign Relations Committee, a motion to reconsider was



made. It was perfectly proper to make it. After a long discussion, the \$115 million was restored, by a vote of 10 to 8. By a vote of 10 to 8, but with a considerable number of proxies used in getting the vote of 10 to restore it.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CHURCH. I am highly pleased that the Senator from Oregon has brought this matter up once again. He is quite right when he observes that the reversal of the committee's initial action, in this particular case, was brought about by the use of proxies from Senators who did not have the full benefit of the discussion that had preceded the first action taken by the committee.

The distinguished Senator from Oregon will remember that when the authorization bill came to the Senate, I attempted to amend the bill on the floor, as we had initially amended it in the committee, and that effort failed on a vote of 43 to 38, but only after a determined effort was made by the State Department and the Pentagon against the amendment.

The argument that was then made by those who favored the amendment had to do with the very matter that the senior Senator from Oregon has stressed on the floor this afternoon, namely, that to enlarge the military assistance program, as was proposed, could only mean that greater quantities of armaments would be given to countries which would not use the weapons as a shield against potential Communist aggression, but rather against one another. We have seen this happen in the recent war between India and Pakistan.

In the new issue of Newsweek magazine, we read of the first repercussions of our policy of arming India and Pakistan. It is apparent that the harvest will be bitter.

Newsweek quotes an Indian officer in the field, fresh from battle, saying:

Everything we have captured is made in the U.S.A.—first-aid kits, sleeping bags, parachutes, weapons, bullets, and tanks.

Before we are finished, we shall find both India and Pakistan pointing to the United States as the scapegoat. I commend the Senator from Oregon for the effort he is making to cut back a program which, in the estimate of the senior Senator from Idaho, has done us damage in many parts of Asia, Africa, and Latin America. He knows that some of us on the committee have attempted to hold the line, to cut the program back, and to impose a reasonable ceiling on it; and it has always been a very frustrating fight, but a fight that must be made. If ever there was dramatic proof of the soundness of that fight, it was laid out upon the battlefields of Kashmir.

So I commend the Senator. I believe he has reviewed very well the situation in the Foreign Relations Committee. I thank him for his efforts in vindicating the position we took then and the position that we take again in the Senate this afternoon.

Mr. MORSE. Mr. President, I thank the Senator from Idaho for the position

he has taken in support of this view. The RECORD should show that the senior Senator from Idaho, as much as any other Senator on the Foreign Relations Committee, has been out in front of the effort to cut military aid. Time and time again, the Senator from Idaho has offered amendments in the committee seeking to cut the military aid program. In debates on the Senate floor, when the foreign aid bill has been before us over the past several years, the senior Senator from Idaho has been among those offering amendments to cut the military aid part of the bill. He is very kind to commend me for my efforts. The Senator from Idaho has been one of my leaders on this matter, as we have joined forces in the Foreign Relations Committee, trying to bring what we considered to be reason to bear with regard to the military aid program.

I yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I shall support the pending amendment, as I have supported the other amendments of the Senator from Oregon this afternoon. He is dead right in his effort to cut military aid to Latin America, India, Pakistan, Greece, Turkey, and southeast Asia, for the reasons so eloquently stated by the Senator from Oregon and the Senator from Idaho.

However, I wish the RECORD to show that I do not go along with the Senator in his efforts to cut economic aid. I believe the United States is serving its own best interests, as well as meeting a compassionate obligation as the greatest and richest country in the world, by maintaining a substantial economic aid program. I do not wish to get into an argument with my friend from Oregon, but I wish to state that I support him wholeheartedly in his military aid position.

Mr. MORSE. I thank the Senator from Pennsylvania very much. There is one difference between us as to economic aid; that is as to how we can improve it. I believe that we should be voting more money for economic aid. The Senator from Pennsylvania could carry me along, if he could be a little more successful in convincing the majority of the committee that we could do something about making economic aid more effective.

Mr. SYMINGTON. Will the Senator yield?

Mr. MORSE. I yield to my friend from Missouri.

Mr. SYMINGTON. First, I would commend the able senior Senator from Oregon for the conscientious and intensive analysis he has given the program in recent years. My interest in said program was aroused by his discussion in the past of the so-called soft loan window of the World Bank, the International Development Association. To my best recollection, the rationale presented for creating that soft loan window was that although not too much money was required in the future in Europe and Asia, considerable would be needed in South and Central America. As developed by the Senator from Oregon, 60 percent of all the aid in IDA loans the previous year had gone to India, and 80 percent had

gone to India and Pakistan. Actually, only one loan, and that a relatively small one, went to a Caribbean country.

As a result, many of us voted against increasing the amount available to this soft loan window, IDA.

Then there is the soft loan window of the Inter-American Development Bank, the Social Progress Trust Fund.

And as I understand it, we are now planning to set up a new bank for the Far East. I hope this bank will not also have a soft loan window.

Mr. MORSE. Mr. President, I doubt if it will even be soft currency. It will probably be script or coupons.

Mr. SYMINGTON. That might well be the case. I back the apprehension of the able Senator from Oregon because the last great power left in the world capable of resisting totalitarianism lies in the American economy. In our way of life our physical strength can come only from economic strength.

For nearly 15 years, in every year since 1949 except 1957, we have run a heavy unfavorable balance-of-payments deficit. If this is not corrected, and corrected soon, the value of the dollar could be jeopardized.

If that should happen, in turn it could be the greatest single economic action against what is best for all free people.

Mr. MORSE. I thank the Senator from Missouri very much. As he knows, he has offered amendments and I have cosponsored his amendments to carry out his objectives, seeking to improve foreign aid from the standpoint of what mismanagement of foreign aid is doing to the whole balance-of-payments problem that confronts us.

Mr. SYMINGTON. I pay tribute—and I know the Senator from Oregon does also—to the able present Administrator, David Bell. The fact is, however, that personnel handling our foreign programs has grown in this century from under 100 to many thousands. As the Senate knows, I do not believe the State Department has given full and adequate recognition to the importance of training all this new personnel necessary to handle such vast programs.

That is another reason I join the Senator in his apprehension. But the chief reason to me is the growing problem of our monetary position.

Let me again commend him for the thorough work he has done in this field.

Mr. MORSE. The best way to give David Bell a hand is to change our policy on foreign aid so that he can administer a foreign aid program under a policy which is defensible.

I close by saying that if we are to have a military aid program, it should be greatly reduced under its present level. If we are to provide help, it should be provided not on a dole basis, but on the basis of giving the recipient country an opportunity to be proud of its own efforts toward self-help.

There should be a great reduction in the grant features of the military aid program. I do not believe that we should be helping to build up a military machine, or a program, in any country

that is beyond the level its economy can support.

By following the course of action we are following in Greece and Turkey, Pakistan, India, and other countries, where we are pouring in aid beyond the ability of those countries to support it from their economic resources, we shall weaken their economic fabric. Instead of helping them, we shall be injuring them. We shall be playing into the hands of the leftist elements which are a constant threat to the survival of free governments in those parts of the world which we wish to sustain.

If a war comes, they will be able to fight only to the extent that the United States decides to pour billions more into their economies and defense establishments.

The way to sustain them is not by way of military aid, but the way to sustain them is to do something to help their people enjoy the fruits of economic freedom.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McGovern in the chair.) The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, needless to say, I am opposed to the pending amendment. One prime fault I find with it is, Why the \$292 million figure? Why not make it easier for bookkeeping purposes and make the figure \$300 or \$400 million? Make it an even figure.

The rationality being used is that the percentage is 25 percent. Why 25 percent? Why not make it 30 percent? Why not make it 35 percent?

Vote against the whole program, if we wish to do so.

No Senator yearns more for peace than I do.

I have been a member of the Joint Committee on Atomic Energy since 1953, and I have followed all the discussions with Russia with reference to the Nuclear Test-Ban Treaty. I was one of those designated by President Kennedy to go to Moscow to witness the initialing of the Nuclear Test-Ban Treaty.

Mr. President, no Senator longs more than I for the day when we can convert all of our guns into plowshares. But, we live in a sorely troubled world. We live in a world where we are becoming more and more conscious of the fact that we cannot stand alone, that the responsibility is not ours alone, but that of many other friends and allies who have their own internal problems as well.

The figure that was submitted to Congress and attested to by the Chairman of the Joint Chiefs of Staff—men who are responsible for the security of this country—was \$1,170 million. That is the figure which was given in the House, which was scrutinized and studied by the House, and finally came over to the Senate.

The Senate held hearings on it day in and day out.

I must regretfully say that there were times in committee when I stood alone, almost as I stand alone on the floor of the Senate today.

I have often wondered why the chairman of the full committee chose me to be the Senator in charge of the foreign aid bill.

When I listen to the Senator from Oregon [Mr. MORSE], whom I have admired and respected, and with whom I have stood shoulder to shoulder on many common problems, when I see my own colleagues such as the Senator from Pennsylvania and the Senator from Idaho falter by the wayside, I begin to wonder.

They must have picked me out because they figured I was so small a fall would not hurt me that much.

This is a thankless job, one might say. But, it is an important job.

The Senate is a body of 100 Senators. We can guess today and be wrong and take another guess tomorrow. But the man who sits in the White House has to be right the first time. He does not have a second guess. He is responsible for the security of the Nation. And today he is entrusted with the responsibility of insuring peace in the world. I am beginning to feel that there are some Senators who have an idea that the military assistance program is a Santa Claus program, a giveaway program. That is primarily where the misconception lies. Remember, for every gun that is shouldered by a Greek or a Turk or anyone else to whom we give military aid it means that an American boy does not have to go there.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. GRUENING. Does the Senator apply this argument to the military aid that has been given to India and Pakistan? Does he think that is a worthy cause? Does he think it has worked out there? The aid was given to them to fight communism—Red China. Does the Senator approve that program as it has worked out in fact? Should we continue to give them such aid when they use it to fight each other? The only reason they have stopped fighting now is that we have temporarily withdrawn the military aid.

Mr. PASTORE. The Senator speaks as if the Kashmir problem was started by the Senator from Rhode Island. I have nothing to do with that problem. That problem has to do with the Moslems and the Hindus. But when we began to give aid to Pakistan after World War II under Harry Truman, and we continued it under Dwight Eisenhower, and under John F. Kennedy, and continued it under Lyndon Johnson, why did we do it? Because we wanted Pakistan to fight India? Of course not.

Mr. GRUENING. How has it worked? It has not.

Mr. PASTORE. Wait a minute. The Senator asked me a question. I will give him a full answer. If I am remiss in any way, the Senator may ask me another question.

We gave all this money to that country because we wanted to stop the onslaught of communism. I am saying to my distinguished friend from Alaska, Stop the military aid program and creeping communism will become galloping communism.

It is easy enough to stand here and condemn. I do not like the conflict. But does the Senator ever stop to think that it was the benevolence of the United States toward Ayub Khan, Shastri, and Nehru that made them listen and satisfy the demand of the United Nations, so that today we have a cease-fire in effect? If that result cost every single dollar we gave, it was worth the price. If the mood we inspired the other day and yesterday, which brought about a cease-fire and will cause the United Nations to bring about a negotiated peace in Vietnam, it will be worth every American dollar that has been spent.

Oh, yes, India did fight Pakistan. And who likes it? I do not like it. What did we do? We stopped giving them military assistance.

Mr. GRUENING. Correct at long last.

Mr. PASTORE. We stopped it. But the President has said—and do not forget, he cannot afford to be wrong—"Do not take the aces out of my deck now." That is what the Senator is suggesting today. He is taking the aces out of the deck and putting the jokers in.

Mr. GRUENING. I have not done that.

Mr. PASTORE. The Senator is trying to do it, when he votes "yea" on this amendment.

Mr. GRUENING. The Senator is quite mistaken.

Mr. PASTORE. That is a difference of opinion.

Mr. GRUENING. I will tell the Senator what I am going to propose when he is through.

Mr. PASTORE. That is a difference of opinion. I am saying to my colleagues that this is a meataxe cut. They did not analyze it. They merely said, "Knock off 25 percent. Let the President take it off where it pleases him. Let the President stay up until 12 o'clock, 1 o'clock, 2 o'clock, 5 o'clock, 6 o'clock, to figure out where he is going to take out the \$292 million." They did not even make it easy for him by providing a \$300 million cut. He would not have had to figure it so closely, because a \$300 million cut would have been easier. So he has to figure out where he is going to cut the \$292 million. Why? Because the Senator from Oregon has never agreed with the Vietnam policy, and has not agreed with the foreign aid program. He has a perfect right to disagree. Does not the Senator think I like an economic program better than I like a military assistance program? Does not the Senator believe that I, with three children, look forward to that bright day of peace? Of course I do. My boy's service time is on the verge now. His medical studies will be finished soon. There is nothing bellicose about me. Does the Senator think I am trying to promote the traf-



ficking in arms by the United States of America? Of course not.

But we have a difficult task. We are living in a world in ferment. As I have said before, these problems have their genesis in a time before this country was a republic. Because those problems have not been straightened out overnight, some of us will not wait and work for the dawn of another day. But the Senator has one thing on his side. If he is wrong today, he can make another guess tomorrow. That is the privilege of a Senator. That is not the prerogative of the President, whether it be President Johnson, President Kennedy, President Truman, or President Eisenhower.

The bill was voted on from June 7 until June 14. This question was thrashed out. This is a warmed-over tune today. It is the same record. We play it over and over and over again. The Senator puts it in here, and it comes out there. It is the same old story.

I find no pleasure in this particular responsibility, the management of this bill. I do my duty, according to my good conscience, as well as I can. I did not even shed a tear when the bill was cut by \$50 million. I thought, if that is the conscience of the Senate, let it be. When the Senate refused to cut \$25 million, or 30 percent, from military assistance to Latin America, and that cut was rejected by two votes, I did not jump with joy. There was no occasion for it. Here we are. The decision is that of Senators. I have done my job as best I could. Now the Senator summarily tries to cut it 25 percent, and the only argument he has is this: Let the President sweat it out and worry where he is going to take it off. If we cut it down this much, the administration will have to do a better job.

If that is the way the Senator feels about it, why not cut it all out? If we cannot take the word of the Joint Chiefs of Staff, if we cannot take the word of the Commander in Chief, whose word are we going to take? To whom will the American people look? To whom will the free world look if the free world cannot look to the Chief Executive of the United States?

I am not saying or pretending for one moment that we should be a rubber-stamp. But we have already acted on this matter. We did it several months ago. We went over all this in committee. Not a single Member of the Senate came before the committee to testify. They were saving their salvos for the floor. Now we are at the Rubicon. We either cross—or turn back from decision and destiny.

Mr. President, I yield back the remainder of my time.

Mr. GRUENING. Mr. President, I want to say that I have listened to the wonderful eloquence of my colleague, the Senator from Rhode Island, but I do not agree with what he said. He said we went through this months ago. But something happened only a few days ago. That was that the arms which we had been pouring into India and Pakistan for years to help them resist possible Chinese aggression were used to fight each

other. We had been saying that they would do that, but we did not have the proof that this was being done until then. The lavish aid was not being used for the purposes intended. It is not being used to fight communism. It is being used to fight each other.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GRUENING. May I finish my statement?

Mr. PASTORE. Very well.

Mr. GRUENING. Right now, while we have been pouring in this money, Pakistan is steadily moving closer to Red China.

Is the Senator from Rhode Island prepared to face the fact that the situation has changed, and that if we temporarily cut down this program to see whether they behave themselves for the next year, if it seems advisable, it can and should be done?

As the distinguished senior Senator from Idaho [Mr. CHURCH], pointed out, the tanks, guns, sleeping bags, ammunition, equipment, and everything found on the field of battle in the tragic war between Indian and Pakistan, now suspended, was of American make.

Why did they stop fighting? It was not because we have been giving them aid, but because we suspended it. If we restore aid now they are likely to resume fighting.

Mr. PASTORE. The amount in the bill is \$1,170 million. The Senator would cut it by 25 percent, not taking it from India or Pakistan, according to this amendment. The amendment that would have affected these two countries was rejected.

There is nothing in the bill that prohibits the President, the State Department, or the Military Establishment of this country from using the money for that purpose.

I say to the Senator that there would have been the Kashmir problem even if we had given no military assistance. We did not give them arms to fight over Kashmir. They might have been fighting with broomsticks.

Mr. GRUENING. That would have been better.

Mr. PASTORE. That is all right. But the fact is that if Peiping saw they had broomsticks they might have moved in and taken over. Where would we be if India were taken over by Red China? Does that not give the Senator concern? Of course it does. There are over 500 million people there. If we can save that country we are going to save it.

We shall have many aches and pains. Things are not always going to come out our way.

I am not condoning the fight between Pakistan and India. All I am saying is, thank God, as a result of the cease-fire, there may be a rule of benevolence for those people. It helped there and it may be that it will help in Vietnam.

That is all I am saying. I do not condone the fighting between Pakistan and India. The President made a strong plea that we not give this help and mili-

tary assistance unless we are sure it is going for the peace of the world. He made that statement. I am willing to trust him.

We have not been giving them military aid or even economic relief since July. The only thing we gave was help under Public Law 480.

If a little economic aid at this point can bring about tranquility in that part of the world that is in ferment, with Red China grasping every chance she gets, does not the Senator think we have something to lose?

Does the Senator believe the Secretary of Defense is Santa Claus, giving this money away? Does the Senator think the four Presidents under whom we served want to give it away?

We are not satisfied with everything that has happened. But mankind is complex. With a little calmness and patience and little help, perhaps this program can save the world when it could have been destroyed by fire.

Mr. GRUENING. I have one word to say. This amendment is moderate. It cuts 25 percent from the overall amount.

The PRESIDING OFFICER. Will the Senator suspend while the Chair determines who yields time?

Mr. PASTORE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Rhode Island has 10 minutes remaining.

Mr. PASTORE. I yield 5 minutes to the Senator from Alaska.

Mr. GRUENING. I thank the Senator from Rhode Island. I do not need that much time.

Mr. PASTORE. The Senator may use whatever time he needs.

Mr. GRUENING. We have a far-flung military program of over \$1 billion. All this amendment would do would be to reduce it by 25 percent, giving the President the opportunity to decide where the reduction should be made. It is easy for him to decide. He should withdraw military aid from India and Pakistan for a few months until it is clear that they are not going to resume their folly, and in Latin America where would-be dictators are attempting to overturn established governments.

Does not the Senator believe we in the Congress have something to say in this matter? Is it not about time that we stood up and be counted to show how we feel? Are we going to give a blanket endorsement to everything that comes from the Pentagon? I say, "No." It is time that we show we have an opinion, and that we object to continuing past follies.

Mr. MORSE. Mr. President, I shall use my remaining time.

I judge from the remarks of the Senator that he does not like the legislative process of the Senate because he is concerned and disturbed about the fact of having to meet the issue again in connection with the passage of the appropriation bill. After we go through all the process of passing an authorization bill, we go through the process of appropriation.

The Appropriations Committee has available to it the entire record that has been made in connection with the authorization bill.

If it is said that people have not come in to testify, the answer is that judicial notice can be taken of the fact that every member of the Appropriations Committee was well versed, on the basis of what had been submitted, on the authorization bill and the discussion of it, and what the criticisms of the military aid and economic aid programs were.

Let us not worry about the problem that would be presented to the President of the United States in making the reductions. The Senator from Alaska [Mr. GRUENING] has alluded to the aides that are available to the President. He has available to him also what the record shows to be the unconscionable and inexcusable waste of military aid in country after country. If he followed only the recommendations of our own Comptroller General, he could save much more than the 25 percent that is covered by the pending amendment.

The President of the United States has a responsibility, as the Commander in Chief, if Congress decides that we ought to cut back on military aid, to proceed to make the cut in accordance with the decision of Congress. That is our legislative process. It becomes the duty of the President of the United States.

Let us not worry about his problem in regard to it.

In my first speech this afternoon, and in other speeches I have made on foreign aid, I have already pointed out what is in the pipeline. We could cut 25 percent, the amount called for in my amendment, and we would still not spend in those countries what will be remaining in the pipeline.

As I said earlier, this has nothing to do with Vietnam.

The issue is whether the Senate at every point in the legislative process, when we are called upon to vote, will again consider the facts involved in this issue.

I cannot escape the conclusion, when listening to the Senator from Rhode Island, that he believes, once we vote on the authorization bill, that ought to be the end of it and that we should accept without question what comes to the Senate from the Appropriations Committee.

That is not our legislative process. We still retain—and sometimes I wonder how much—some check on the Appropriations Committee. However, after I have listened to some of the managers for various bills in the Senate, I wonder if we are not guilty of some kind of wrong if we question the decision of the Appropriations Committee, and do not take it for granted when the Appropriations Committee brings to the floor of the Senate a bill and its report.

Lastly, Mr. President, we have all heard the representatives of the Appropriations Committee and some Foreign Relations Committee representatives, talk about the thankless job on the floor of the Senate of handling foreign aid authorization bills and foreign aid appropriation bills.

I wonder if their moans and groans are not occasioned by the fact that they cannot defend the present AID program, they find little good to say for it, and that is why they consider it a thankless job.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. PASTORE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Tennessee [Mr. GORE], and the Senator from New Hampshire [Mr. MCINTYRE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from New York [Mr. KENNEDY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Kansas [Mr. PEARSON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Utah would vote "yea," and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Texas would vote "nay."

The result was announced—yeas 30, nays 56, as follows:

[No. 270 Leg.]

YEAS—30

Bayh	Ervin	Morse
Bible	Fannin	Mundt
Burdick	Fong	Nelson
Byrd, Va.	Fulbright	Proxmire
Byrd, W. Va.	Gruening	Randolph
Church	Hruska	Robertson
Clark	Jordan, Idaho	Russell, Ga.
Cotton	Long, La.	Symington
Douglas	McClellan	Talmadge
Ellender	McGovern	Young, Ohio

NAYS—56

Aiken	Hill	Moss
Allott	Holland	Murphy
Bartlett	Inouye	Muskie
Bass	Jackson	Neuberger
Boggs	Javits	Pastore
Brewster	Jordan, N.C.	Pell
Cannon	Kennedy, Mass.	Prouty
Carlson	Kuchel	Ribicoff
Case	Lausche	Russell, S.C.
Cooper	Long, Mo.	Smathers
Dirksen	Magnuson	Smith
Dodd	Mansfield	Stennis
Domnick	McGee	Thurmond
Eastland	McNamara	Tydings
Harris	Metcalf	Williams, N.J.
Hart	Miller	Williams, Del.
Hartke	Monroney	Yarborough
Hayden	Montoya	Young, N. Dak.
Hickenlooper	Morton	

NOT VOTING—14

Anderson	McCarthy	Scott
Bennett	McIntyre	Simpson
Curtis	Mondale	Sparkman
Gore	Pearson	Tower
Kennedy, N.Y.	Saltonstall	

So Mr. MORSE's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIRKSEN. Mr. President, I yield myself 30 seconds on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 30 seconds.

#### FIFTY EXAMPLES OF AUTHORIZATIONS AND APPROPRIATIONS IN THE 89TH CONGRESS

Mr. DIRKSEN. Mr. President, the staff of the Senate Republican policy committee has prepared a sample list of 50 examples of estimated authorizations for appropriations, which either already have become law or are being considered, in this session of the Congress.

The examples give an estimated first year authorization, the number of years for a program or programs in the measure or law, and the estimated amount authorized for the total number of years. Of course, as bills follow the traditional course through committees, and action in the Senate and House and possible conference consideration, some figures may change, but in most cases not substantially.

The 50 examples, however, give a graphic account of the amount of money being authorized for possible future authorizations. In these 50 examples alone, I believe, the total is in excess of \$112 billion. The staff deserves credit for pointing out these examples—without comment one way or the other—to show the direction in which we are moving. The list undoubtedly will be of considerable use to all Senators.

I ask unanimous consent the tabulation be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD.



## Fifty examples of estimated authorizations for appropriations

Example of legislation	Estimated costs			Example of legislation	Estimated costs		
	1st year	Years	Cumulative amount		1st year	Years	Cumulative amount
1. Housing, rent subsidies, and urban development (Public Law 89-117).....	\$935,000,000	4	\$7,400,000,000	28. Vocational rehabilitation programs (H.R. 8310).....	\$400,000,000	3	\$1,414,250,000
2. Community health services and immunization (Public Law 89-109).....	28,000,000	4	112,000,000	29. Health professions education (H.R. 3141).....	200,000,000	4	800,000,000
3. Rapid rail transit, Washington, D.C. (Public Law 89-173).....	431,000,000	-----	431,000,000	30. Arms control and disarmament (Public Law 89-27).....	10,000,000	3	30,000,000
4. Poverty program expansion (H.R. 8283).....	1,800,000,000	3	5,400,000,000	31. Pesticides research (S. 1623).....	3,200,000	3	13,200,000
5. Federal aid to higher education (H.R. 9567).....	672,000,000	5	4,700,000,000	32. Health research facilities extension (Public Law 89-115).....	93,600,000	3	280,000,000
6. Area redevelopment, public works acceleration (Public Law 89-136).....	760,000,000	5	3,250,000,000	33. Veterans rehabilitation cost-of-living increase (Public Law 89-137).....	1,600,000	5	8,100,000
7. Community health, mental facilities, and staffing (Public Law 89-105).....	45,000,000	4	235,000,000	34. Training seriously disabled veterans (Public Law 89-130).....	3,200,000	5	16,000,000
8. Social security, medicare, and public assistance (Public Law 89-97).....	6,500,000,000	5	32,500,000,000	35. Ship construction subsidies (H.R. 4346).....	124,900,000	-----	124,900,000
9. Regional medical centers (S. 596).....	50,000,000	4	650,000,000	36. International Coffee Agreement (Public Law 89-23).....	150,000,000	-----	150,000,000
10. Appalachia assistance (Public Law 89-4).....	365,000,000	6	1,092,000,000	37. Water Resources Research Act (S. 22).....	5,000,000	5	39,000,000
11. Water Resources Planning Act (Public Law 89-80).....	11,700,000	10	117,000,000	38. Peace corps extension (Public Law 89-134).....	115,000,000	3	345,000,000
12. Manpower development and training (Public Law 89-15).....	454,000,000	4	1,810,000,000	39. National Teacher Corps and fellowship for elementary, secondary schools (H.R. 9627).....	35,000,000	3	236,000,000
13. Federal aid to elementary, secondary schools (Public Law 89-10).....	1,340,000,000	5	6,600,000,000	40. National Aeronautics and Space Administration (Public Law 89-53).....	5,109,000,000	5	26,000,000,000
14. Older Americans Act (Public Law 89-73).....	6,500,000	5	49,000,000	41. Conservation program for Great Lakes fish (H.R. 25).....	5,000,000	5	25,000,000
15. High speed rail service research (S. 1588).....	20,000,000	3	90,000,000	42. Crime control training (H.R. 8027).....	2,000,000	3	10,000,000
16. Military pay raise (Public Law 89-132).....	1,040,000,000	5	5,240,145,000	43. National wild rivers system (S. 1446).....	1,800,000	5	9,000,000
17. Federal pay raise (H.R. 10281).....	621,600,000	5	6,821,000,000	44. Teacher sabbaticals (H.R. 10622).....	50,000,000	3	150,000,000
18. National Arts-Humanities Foundation (H.R. 9460).....	20,000,000	3	60,000,000	45. Cape Lookout National Seashore (S. 251).....	9,300,000	-----	9,265,000
19. Highway beautification (S. 2084).....	160,000,000	2	320,000,000	46. St. Croix Scenic Railway (S. 870).....	6,500,000	-----	6,500,000
20. State Technical Services Act (Public Law 89-182).....	10,000,000	3	60,000,000	47. Ellis Island National Monument (H.J. Res. 454).....	6,000,000	-----	6,000,000
21. Rivers and harbors projects (S. 2300).....	1,989,428,500	-----	1,989,428,500	48. Assateague Island National Recreation Area (Public Law 89-195).....	24,000,000	-----	24,015,000
22. Peacetime GI cold war benefits (S. 9).....	338,000,000	5	1,690,000,000	49. Spruce Knob (W. Va.) Recreation Area (S. 7).....	19,800,000	-----	19,780,000
23. Water pollution control (S. 4).....	170,000,000	4	680,000,000	50. Juvenile delinquency program (Public Law 89-64).....	6,500,000	2	16,500,000
24. Saline water (Public Law 89-118).....	35,000,000	5	185,000,000	Estimated total authorizations.....	-----	-----	112,717,983,500
25. Air pollution (S. 306).....	20,000,000	3	60,000,000				
26. Additional cost of river basin projects (Public Law 89-42).....	944,000,000	2	944,000,000				
27. Pension increase for Federal employees (H.R. 8469).....	101,900,000	5	559,500,000				

## NOTES

1. The above list does not include a number of other important authorization measures, such as the multibillion, 4-year farm bill, presently in conference; the foreign aid authorization bill; authorization for expenditures from the highway trust fund for interstate highways; increases in the U.S. quota to the International Monetary Fund and Inter-American Development Bank Fund (both of which are now public law); the increase in Small Business Administration loan funds; various projects listed in such authorization measures as for the Interior Department, military procurement, Health, Education, and Welfare Department, and other departments, as well as a number of other separate authorization measures for public works projects, studies of crime, the metric measure system, etc.

2. Some of the authorizations in the list of 50 were selected only to show the wide variety of bills.

3. In some instances, the 1st year authorization in the above list is increased for the following years and thus the cumulative amount will be greater than the 1st year figure multiplied by the number of years. In the case of a few bills, like the NASA authorization measure, the 5-year total is based on the recent yearly average authorization. On the other hand, it should be noted that where some programs, like Federal pay raises, show only a 5-year total authorization, they actually will continue for years.

Mr. DIRKSEN. Mr. President, I yield 30 seconds under the bill to the distinguished minority whip.

The PRESIDING OFFICER. The Senator from California is recognized for 30 seconds.

#### FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

#### FOREIGN AID: PUBLIC LAW 480 AND SOUTH VIETNAM

Mr. KUCHEL. Mr. President, during the consideration of the foreign assistance appropriations for fiscal year 1966 by the Senate Committee on Appropriations, I submitted several questions for the administration to answer. These questions concerned the utilization of the soft currencies accumulated in foreign countries as a result of transactions under Public Law 480, the need for more imagination and initiative to prevent a decline in the value of these soft-currency deposits as a result of devaluation, and the need to utilize these

soft currency deposits to offset our balance-of-payments deficit. I also raised questions regarding our land reform policies in South Vietnam and suggested that we improve our health program there by taking some of our Second World War hospital ships out of mothballs and staffing them to aid the great concentration of South Vietnamese people who live along the coast. Answers to these questions were submitted by the Department of State.

I ask unanimous consent that the questions and answers be printed at this point in the Record.

There being no objection, the questions and answers were ordered to be printed in the Record, as follows:

Question. I have long been concerned with the utilization of our Public Law 480 funds abroad. On July 14, 1965, I wrote Assistant Secretary of State MacArthur inquiring as to the possible use of these funds to purchase real estate in the countries where they are on deposit with the idea that such an investment would appreciate and that at some future date land could be sold or utilized in order to provide adequate housing and office space for American employees. On July 30, 1965, Mr. MacArthur replied and noted that the Department's acquisition, construction, and improvement of properties is based entirely upon funds appropriated under section 104(1) of Public Law 480 which provides un-

limited authorization for appropriations which the Department of State annually seeks from the Congress. He noted that the following countries currently have currencies on deposit which in the judgment of the Treasury Department are excess to normal requirements: Burma, Ceylon, Guinea, India, Israel, Pakistan, Poland, Tunisia, United Arab Republic, and Yugoslavia. Mr. MacArthur then notes: "While the Congress does not attempt to preclude the Department from acquiring properties having a potentially higher resale value, it expects and requires the Department to justify requests for funds for facilities on the basis of current program needs. To this extent, therefore, the Department would refrain from acquiring real estate which it does not need but which, because of an expanding market, it could sell or exchange for more suitable property at a later date."

I wonder, in view of the large deposits of soft currencies which we have abroad, if you do not think that the Department of State and the U.S. Government, including the Congress, should have a more imaginative policy as to how these funds might be used in a land and building acquisition program? I would like your comments of this.

Answer. The Department is considering an expanded use of foreign currencies in countries where U.S. currency holdings are in excess of the Government's need.

The Department has canvassed U.S. missions and the headquarters of appropriate agencies of the Government for additional worthwhile programs, including overseas

sites and buildings, that could be funded entirely or largely with these funds. The results are currently under review by the executive branch for fiscal year 1967. If this materializes, the building program in those excess-currency countries will be greatly accelerated to the extent that the U.S. Government's real property requirements will be satisfied in the next several years.

It should be noted that, particularly in India, rising land values reflect the growing shortage of desirable unimproved real estate and it is to be expected that efforts on the part of the U.S. Government to purchase acreage that could not realistically be related to future requirements of an official nature undoubtedly would be opposed by the local government. Some other governments may likewise oppose such action.

Question. I noted that we have excess currencies on deposit in Yugoslavia. On June 11, 1965, my legislative assistant, who had learned from a traveling American in Yugoslavia that there would be possible devaluation of the dinar, called Frederick L. Deming, the Under Secretary of the Treasury for Monetary Affairs, and urged that Public Law 480 funds be put to use on schools and equipment for schools before their value was greatly reduced as a result of devaluation. In a reply of June 16, Mr. Deming noted that, at the then current rate of exchange (750 dinars equals \$1), the U.S. Government had on deposit \$61 million. Mr. Deming noted that "utilization of these balances is restricted under the foreign exchange control law of Yugoslavia and is limited to specified purposes as set forth in agreements between the United States and Yugoslavia." He then goes on to say that dinars are being used to pay all U.S. Government official expenses, including payments to U.S. Government contractors there. This amounts to \$3 million annually.

On July 26, 1965, Yugoslavia announced various currency-stability measures. One of the major changes was the devaluation of the dinar. From 1961 until the change in late July, as I have noted previously, the U.S. dollar-Yugoslav dinar exchange rate was \$1 to 750 dinars. It is now \$1 to 1,250 dinars. On January 1, 1966, present dinars will be exchanged for new ones at the rate of 100 to 1.

This action has obviously affected the value of our Public Law 480 funds which are on deposit. When sufficient warning was given, cannot our Government make some plans to utilize these funds at their highest value or convert them into land and buildings which would withstand devaluation? I would also like your comments and a summary for the hearing record of the various foreign exchange regulations which are imposed on our soft-currency deposits abroad.

Question A. When sufficient warning was given, cannot our Government make some plans to utilize these funds at their highest value or convert them into land and buildings which would withstand devaluation?

Answer. The executive branch has long been concerned over losses in the purchasing power and value of U.S.-held foreign currencies through devaluations, and has, where feasible, moved to minimize losses of this nature. However, it must be remembered that the use of U.S.-use foreign currencies is subject to the appropriation of dollars with which Treasury is reimbursed for currency used. Even in emergency situations where prompt action is necessary to prevent loss through devaluation, executive branch agencies may not exceed their appropriations, in which there are no provisions for such emergencies. Regular appropriation requests generally include only relatively high-priority projects, the funds for which could not normally be reprogrammed in any magnitude within the fiscal year for the relatively lower priority projects mentioned. This is the more true when the situation arises late in

the fiscal year after appropriations are largely committed, as in this case.

Efforts have continued over a period of years to find additional uses for these excess currencies. Dinars are being used for local operating expenses of the U.S. Embassy and missions; for allowances and partial salary payments to American employees; for travel, subsistence, and transportation within the country, for international air travel; and after months of effort, for payments to U.S. annuitants resident in Yugoslavia. The latter use has greatly increased the normal annual requirements of the United States for dinars, reducing the number of years supply from 26.5 at the fiscal year 1964 expenditure rate to 9. Every effort is being made to increase the use of dinars and other excess currencies, and to avoid or minimize losses by devaluation.

Question B. I would also like your comments and a summary for the hearing record of the various foreign exchange regulations which are imposed on our soft-currency deposits abroad.

Answer. Foreign exchange regulations imposed on the use of local currencies on deposit vary in intensity and method depending on the general provisions governing foreign trade and exchange transactions established by the different foreign governments and on procedures set forth in bilateral agreements. Latest surveys of the exchange systems and applicability of exchange control of all member countries of the International Monetary Fund are published in the 16th Annual Report on Exchange Restrictions, 1965, issued by the fund, which we are making available to the committee.

Question. With regard to the use of Public Law 480 funds in reducing our balance-of-payments difficulties, I wonder what progress has been made, country by country, in urging American tourists to exchange dollars for local currencies at our Embassy. Do or could not the airlines, steamship companies, our immigration and customs officials cooperate in notifying all American travelers abroad (perhaps a slip of paper sent out with their passport from the Department of State) that local currencies could be secured at our Embassy?

Answer. Notices calling the attention of American tourists to the availability of U.S. Government-owned foreign currencies for sale to them are enclosed in the passports issued to tourists indicating an intention of visiting countries where these currencies are available. Examples of notices for U.S. travelers to India, Israel, and the United Arab Republic are shown below:

**"ATTENTION U.S. VISITORS TO: INDIA**

"Here is how you can aid the U.S. balance of payments.

"When you arrive in India, you may buy your local currency (rupees) requirements from the American Embassy in New Delhi, or from the American Consulates General in Bombay, Calcutta, and Madras. You are assured the official rate of exchange.

"The Indian rupees available for purchase at the American Embassy and the American Consulates General are owned by the U.S. Government and are available for expenditure only in India. When you buy your rupees from the U.S. Diplomatic or Consular posts, as arranged by agreement with India, in effect your dollars stay home and you help the U.S. balance of payments.

"Payment may be made by cash, personal check, or traveler's check.

**"Addresses**

"Embassy: Shanti Path, Chanakyapuri, (Diplomatic Enclave) New Delhi.

"Consulates: 78 B. Desai Road, Bombay; 5/1 Harington Street, Calcutta; 150-B Mount Road, Madras.

"Selling hours (Monday to Friday): 10 a.m. to 12:30 p.m.; 2:30 p.m. to 4 p.m."

At present currencies are for sale in Israel, United Arab Republic, and India under Public Law 480, section 104(s). Sales for business purposes are made in Israel and India under 104(t). To extend the potential effectiveness of the program of sales of U.S.-owned foreign currencies in those countries where agreements to do so exist, the Secretary of the Treasury is revising the present criteria for determining which currencies are available for sale to U.S. citizens under section 104 (s) or (t) of Public Law 480 so that additional amounts will become available. Sections 104(s) and 104(t) have been included in all title I, Public Law 480 agreements since section 104(t) was added to the Public Law 480 legislation last October and are being included in all new title I agreements.

**"ATTENTION U.S. VISITORS TO: ISRAEL—EGYPT**

"Here is how you can aid the U.S. balance of payments.

"When you enter either of these two countries, visit the American Embassy and buy your local currency requirements there. You are assured the official rate of exchange and that your dollars used to buy local currency from the Embassy will not become a claim against the U.S. gold supply.

"These two currencies, available for purchase at the respective American Embassies, are owned by the U.S. Government, acquired under conditions preventing the United States from spending them outside the country of origin. Under special arrangements with the local governments the American Embassy is authorized to sell these currencies to U.S. tourists.

"Payment may be made by cash, personal check, or traveler's check.

**"American Embassy address**

**"Israel**

"71 Hayarkon Street, Tel Aviv (9 a.m. to 1 p.m., selling hours).

**"Egypt**

"5 Sharia Latin American, Garden City, Cairo (9 a.m. to 12 noon, selling hours)."

Question. Turning to Vietnam, as Mr. Bell will recall we discussed our AID program there in my office on April 5, 1965. In response to various questions which I raised, he furnished me with material concerning the AID program as it relates to the Vietnamese peasantry on April 8. I have carefully gone over that material. While it seems we are giving the Vietnamese peasant free agricultural instruction, free seed, free fertilizer, and free tools we do not seem to be giving him a fundamental stake in his country; namely, free land or the opportunity over time to purchase at a reasonable cost such land. I would like for the record just how many acres have been turned over to the peasantry as a result of American efforts. I think nothing is so important to our winning the war there as giving the peasant an economic stake in his country as well as a political stake by training him in community participation at the local level.

Answer. Land reform and the distribution of land under permanent or provisional title is, of course, the function of the Government of Vietnam. U.S. assistance and advice has been instrumental in helping the Government to carry out its land programs, and our recommendations have been adopted in many cases.

Under the provisions of the original land reform legislation enacted by the Diem administration, 264,000 hectares (652,000 acres) of ordinance 57 land (i.e., expropriations of Vietnamese-owned landholdings of over 100 hectares (247 acres)) have been distributed to 115,000 new owners. This distribution was accomplished by provisional land certificates with payments at reasonable rates over a 12-year period.

Another category of riceland, formerly owned by French landlords, has been largely



undistributed because of insecurity and surveying problems. However, the new land-reform program approved by the Government on August 9 provides for the eventual distribution of 225,000 hectares (555,750 acres) of land in this category with payments over 12 years, and with assistance in water control and irrigation devices. The GVN plans to begin immediate distribution of 23,000 hectares (56,800 acres).

The new program also provides for full and clear title to ordinance 57 land previously distributed with a Government lien held until payments have been completed.

Question. One last question pertaining to Vietnam: In order to improve our relations with the people there, could we not get some of our Second World War hospital ships out of mothballs and staff them with Public Health Service or military or private volunteer doctors and nurses and run them up and down the coast where they could serve the millions of people who live in the 5- to 10-mile coastal strip?

Answer. The USOM health program is in the process of expansion, especially due to higher numbers of civilian casualties and refugees as a result of increased military operations during the summer months. For example, 20 U.S. volunteer doctors, on a 60-day rotation basis, will greatly augment our capabilities of caring for the Vietnamese civilian population; and an increasing number of free world nations are considering supplying medical personnel to especially assist the refugees located along the coast of the central part of the country. The idea of equipping a hospital ship which would make runs along the coast will be considered among other measures which soon will be taken to increase our medical assistance to Vietnam.

Mr. DIRKSEN. Mr. President, I yield, under the bill, 1 minute to the distinguished senior Senator from New York.

The PRESIDING OFFICER. The senior Senator from New York is recognized for 1 minute.

Mr. JAVITS. Mr. President, I call the attention of the Senate to the fact that an enormous refugee problem in South Vietnam is not dealt with in the bill. It has been estimated that there will be approximately one million refugees in South Vietnam within the next few months. There are now about half that many.

The junior Senator from Massachusetts [Mr. KENNEDY] has been conducting a series of hearings in the Refugee Subcommittee of the Committee on the Judiciary, of which I am a member, which hearings demonstrate the serious character of the problem.

There are funds now available in an indirect way through the sizable commercial import program and the counter-insurgency program for Vietnam. However, they are quite inadequate. In addition, the President's contingency fund could have been made available, but it is my understanding that this fund is fully committed.

I make this statement for the purpose of suggesting to the manager of the bill that it should be a matter of record that this is a problem which the Senate will have to meet. This problem will have to be met through supplemental appropriations. We should take cognizance of the fact that this problem is not being met in this particular appropriation bill.

#### LEGISLATIVE PROGRAM—ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. DIRKSEN. Mr. President, I yield myself 1 minute under the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the remainder of the day, for tomorrow, and, if possible, for early next week.

Mr. MANSFIELD. Mr. President, first I ask unanimous consent that, when the Senate completes its business this afternoon, or this evening, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if I may have the attention of the distinguished Senator from Michigan [Mr. McNAMARA], the chairman of the Committee on Public Works, it is anticipated that at the conclusion of the prayer tomorrow the Senate will take up the conference report on the antipoverty measure (H.R. 8283).

It is hoped that we shall complete the consideration of that conference report sometime during the day. I believe it is anticipated that there will be a rollcall vote on the conference report. When the rollcall vote is disposed of and the unobjected-to items on the calendar have been disposed of, it is then anticipated that the Senate will go over until the following Tuesday.

#### FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATION BILL, 1966

The Senate resumed the consideration of the bill (H.R. 10871) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1966, and for other purposes.

Mr. GRUENING. Mr. President, I send to the desk an amendment to H.R. 10871 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. An amendment is proposed by the Senator from Alaska [Mr. GRUENING], as follows:

On page 12, between lines 18 and 19, insert the following new section:

"Sec. 117. None of the funds appropriated or made available in this act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to Indonesia."

Mr. GRUENING. Mr. President, this seems to be where we have come in again and again.

In the consideration of the foreign aid authorization bill, an amendment introduced by the distinguished junior Senator from Oklahoma [Mr. HARRIS] was agreed to in this body by a vote of 72 to 13. We had been given assurances that in view of the disgraceful performance of the dictator of Indonesia, we would not have to bring up this question again.

Sukarno has denounced us. He has vilified the United States. He has got-

ten into bed with the Communists. He has burned our libraries. He has confiscated and expropriated the property of American citizens. He has allowed mobs to attack our Embassy. He has told us to go to hell with our aid. He is making war on the friendly nation of Malaysia. We have given this man close to a billion dollars.

Yet we have the surprising news that we are now negotiating—if, indeed, we have not already done so—to give him atoms for peace for the next 5 years. How utterly ridiculous in view of his past performance and when he wants to make an atomic bomb.

This amendment would merely withhold all financial aid from him for the next year.

I hope that the amendment will be agreed to.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. CHURCH. I have a great deal of sympathy for the position of the Senator. I share his concern about Mr. Sukarno's relentless slide toward communism in Indonesia. However, the difficulty that I encounter with an amendment of this kind relates to how we can know whether Sukarno will remain as the head of the Indonesian Government. What if a revolt in the palace guard were to overthrow him tomorrow? What if, a month from now, he were to pass on to his reward and some new regime were to take control of Indonesian affairs? If we were to write into the bill, and into the law itself, a prohibition against the extension of any aid to Indonesia, then we will have blocked the President at the very time when we would no longer want to prohibit the extension of possible assistance to Indonesia. The delay, the difficulty in then striking the provision from the law might well paralyze American policy for an extended period of time.

Mr. GRUENING. Mr. President, would the Senator, therefore, find the amendment acceptable if it were worded to provide that it be effective for so long as lawless Sukarno remains in power?

Mr. CHURCH. Even then, much as I feel that Sukarno's views toward this country will not change, I always hope that he will see the light, that he will understand the peril involved in alining his country with Communist China, and that he might change his attitude and policies. If that were to happen, we would then have this prohibition riveted into the law. That is the reason why I cannot support the amendment.

Mr. GRUENING. Mr. President, my friend from Idaho exhibits the optimism worthy of Voltaire's Dr. Pangloss and Pollyanna.

Mr. PASTORE. Mr. President, there is not a penny involved in the pending bill for aid to Indonesia.

Mr. GRUENING. Then what is the objection to the amendment?

Mr. PASTORE. The objection is to stop the giving of money that is not being given anyway.

Mr. GRUENING. Mr. President, there is no assurance that a way may not be found. I believe that we can give a great feeling of security and comfort to

the United States if, by agreeing to my amendment, we give the definite assurance that the folly of giving aid to Sukarno has ceased for at least 1 year.

I yield to the senior Senator from Louisiana.

Mr. ELLENDER. Although funds are not specifically earmarked for Indonesia the President could make some funds available out of the contingency fund.

Mr. GRUENING. From the emergency fund.

Mr. CLARK. Will the Senator yield?

Mr. GRUENING. I yield to the Senator from Pennsylvania.

Mr. CLARK. My views are identical with those of the Senator from Idaho. I do not like Sukarno any better than he does. I would like to see the President free to utilize this money where he thinks the national security is involved. For several years, we have had amendments that indicated that we do not like Sukarno. However, I should like to see the amendment of the Senator from Alaska modified, as it has been in previous years.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. PASTORE. We voted on this question once before by an overwhelming vote. If the Senator from Alaska will modify his amendment to read "unless the President, in the national security, feels it is advisable," I shall take it to conference, as I think was suggested by the Senator from Oklahoma [Mr. HARRIS]. If it is corrected in that fashion, although I have not consulted with other members of the committee, I can say I have no personal objection to it. It can be put to a voice vote.

Mr. GRUENING. How would the President like the amendment changed?

Mr. PASTORE. I did not ask the President. I am only suggesting.

Mr. GRUENING. How would the manager of the bill—

Mr. PASTORE. I am a bigger man than I thought. Now I speak for the President. I am completely overwhelmed.

Mr. GRUENING. Mr. President, will the Senator yield for a moment?

Mr. PASTORE. I yield.

Mr. GRUENING. May I ask the distinguished manager of the bill how he would like to have the amendment modified?

Mr. PASTORE. Exactly as we adopted it in the authorization bill. Perhaps we can duplicate that language. It was suggested by the Senator from Oklahoma.

Mr. GRUENING. While I have no faith in such permissive language based on repeated past experience, I shall accept the amendment, because I think it is a step forward.

Mr. PASTORE. I yield time on the bill to the Senator from Oklahoma.

Mr. HARRIS. Will the Senator from Alaska yield to me for a moment?

The PRESIDING OFFICER. Will the Senator send his modified language to the desk, please?

Mr. HARRIS. I was about to suggest that the Senator might wish to lay his amendment aside briefly, until we can prepare an amendment.

Mr. GRUENING. If that is agreeable to the manager of the bill, very well.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question? Is it the intent to modify the language so that aid will be given only when the President determines that it is in the interest of our national security?

Mr. PASTORE. The Senator is correct.

Mr. GRUENING. Mr. President, I send to the desk another amendment, and ask that it be stated.

The PRESIDING OFFICER. Does the Senator withdraw his previous amendment?

Mr. GRUENING. Yes, I withdraw the amendment in favor of the amended amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 12, between lines 18 and 19, insert the following new section:

"Sec. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to the United Arab Republic."

Mr. GRUENING. Mr. President, this is a similar amendment, but, instead of singling out Indonesia, which is under Sukarno's rule, it sets out the United Arab Republic, under Mr. Abdel Gamal Nasser.

I take it the same compromise would be acceptable to the manager of the bill. We are engaging in a rather foolish performance, because for years we have had an amendment denying aid to aggressors, but it has not been denied in this particular case. We make it specific as to the United Arab Republic. If the manager of the bill, the distinguished senior Senator from Rhode Island, will accept the amendment with the same modification, "provided the President considers it in the national interest," I shall be glad to accept that language.

Mr. PASTORE. Will the Senator yield?

Mr. GRUENING. I yield.

Mr. PASTORE. On the authorization bill, in conference, when the matter of wheat was discussed language was adopted to read:

No sale under title I of this Act shall be made to the United Arab Republic unless the President determines such sale is essential to the national interest of the United States.

Now, rather than use the word "sell," it could be made to read "No aid shall be given under the provisions of this law." If we can use such language, I am perfectly willing not to resist it.

Mr. GRUENING. I send to the desk another amendment, and ask that it be read.

Mr. PASTORE. Are we going to dispose of this amendment first?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska [Mr.

GRUENING], as modified. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, between lines 18 and 19, it is proposed to insert the following new section:

Sec. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to the United Arab Republic, unless the President determines that such availability is essential to the national interest of the United States.

The PRESIDING OFFICER. All time having been yielded back the question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. HARRIS. If the Senator from Alaska will yield to me about 15 seconds, I ask unanimous consent that I be shown as cosponsor on the amendments of the Senator from Alaska having to do with Indonesia and the United Arab Republic, as modified.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

Mr. GRUENING. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 12, between lines 18 and 19, insert the following new section:

"Sec. 117. None of the funds appropriated and made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for military assistance to India or Pakistan."

Mr. GRUENING. Mr. President, this subject has been discussed before, but it had not come up formally on the floor before this particular amendment was offered. I feel very definitely that we are at a crossroads. For many years we have poured billions of dollars in military aid into two neighboring countries that were born out of the division of what was once India.

Two years ago I pointed out on the floor of the Senate that Pakistan was a member of the Southeast Asia Treaty Organization and was obliged under it to assist us in southeast Asia.

At that time I received a communication from the Ambassador of Pakistan to the United States, in which he said, in effect, "We do not intend to use this money to fight communism. We are going to use it to fight India."

I spoke about it on the floor of the Senate 2 years ago, and again last year. Now it has happened. The intent was always there, and we did nothing about it. Now it has happened. We have witnessed a bloody war, which has been stopped only because we have withdrawn our military aid to those two countries.

While this was going on, while we have been pouring this economic aid in billions of dollars into this country and also a large sum of money in military aid, Pakistan has moved closer and closer to Communist China.

It is important that we cease this folly, or at least say that the Senate is op-



posed to the folly of continuing to subsidize countries for purposes which they do not follow and, instead, use our money to make war on each other, putting upon us the obligation—which we will undoubtedly have to assume, unless we do something—of repairing the damage that we have done with our weapons.

Mr. President, I have stated my case. I shall not ask for the yeas and nays on the pending amendment.

We have already heard the able arguments in opposition made by the Senator in charge of the bill, although I would point out that his arguments were used in opposition to the amendment which made a blanket cut of 25 percent in all military assistance. In this particular case, my amendment would withdraw military aid to those two countries which have ceased fighting each other. In my judgment, they have ceased fighting each other because we have withdrawn our military aid. If we wish to keep them from fighting each other, the best thing is for the Senate to go on record, this year anyhow, that there will be no more military aid. If India and Pakistan wish to fight each other, they can use broomsticks, and that will be a vast improvement.

Mr. CLARK. Mr. President, I have just read the Senator's amendment, and my understanding is that the cuts apply to economic aid as well as military aid.

Mr. GRUENING. Military aid only. Let me make sure.

Mr. COOPER. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. My amendment states:

None of the funds appropriated or made available in this act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for military assistance to India or Pakistan.

Mr. CLARK. Mr. President, the amendment at the desk has the words "military aid" scratched out.

Mr. GRUENING. I am sorry. Mr. President, I ask unanimous consent that those two words "military aid" be restored to my amendment, so as to read:

None of the funds appropriated or made available in this act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for military assistance to India or Pakistan.

Mr. President, that is the amendment I am offering.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

Mr. GRUENING. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was rejected.

Mr. HARRIS. Mr. President, I should like to advise the Senator from Alaska that I have been informed by the Parliamentarian that no action was taken on the Indonesia amendment. Action was taken only on the United Arab Republic amendment, as modified. I am advised that the Senator from Alaska will have to offer his Indonesia amendment again.

Mr. GRUENING. Mr. President, I offer my modified amendment at this time.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, between lines 18 and 19, insert the following new section:

SEC. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to Indonesia, unless the President determines that such availability is essential to the national interest of the United States.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the Senator from Alaska, as modified. The amendment was agreed to.

Mr. HOLLAND. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield time on the bill to the Senator from Florida.

The PRESIDING OFFICER. How much time?

Mr. PASTORE. As much time as the Senator needs.

Mr. HOLLAND. I thank the Senator from Rhode Island. I should like to address some questions to him, to clarify a point in the RECORD which I believe should be clarified. I wish to ask the Senator in charge of the bill a few questions relative to the paragraph at the top of page 15 of the printed bill, which deals with assistance to refugees in the United States.

Mr. PASTORE. I would most respectfully suggest to the Senator from Florida that, rather than ask me questions, he explain exactly what the committee did, because he was responsible for what it did; and I would appreciate it very much if he would make the explanation.

Mr. HOLLAND. I thank the distinguished Senator.

Mr. President, I wish the RECORD to show clearly that the reduction from \$32,265,000 to \$30 million, in the first paragraph on page 15 of the bill, did not relate to education at any level in the Miami area, as far as education of the children of refugees is concerned, or the education of adults, or any other factor relating to education.

Mr. President, I ask unanimous consent to have printed in the RECORD the first paragraph on page 15 of the bill.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Assistance to refugees in the United States

For expenses necessary to carry out the provisions of the Migration and Refugee Assistance Act of 1962 (Public Law 87-510), relating to aid to refugees within the United States, including hire of passenger motor vehicles, and services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), [ \$32,265,000 ] \$30,000,000.

Mr. HOLLAND. Mr. President, in order to make the explanation clear, I ask unanimous consent to have printed in the RECORD, the last three columns in the tabulation on page 202 of the hearings, which shows the 1966 original presidential budget and current estimates which had been reduced in certain amounts, and the increases or decreases of the estimates as comparing the original budget and the current budget, the original budget having been granted by the House before the current budget came down.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WELFARE ADMINISTRATION ASSISTANCE TO REFUGEES IN THE UNITED STATES

Summary—Budget request

	1966		Increase or decrease—1966 current estimate compared with President's budget and House allowance
	President's budget and House allowance	Current estimate	
I. Direction and coordination of program.....	\$883,000	\$883,000	-----
II. Welfare assistance and services:			
Financial assistance to needy refugees in the Miami area.....	8,272,000	7,685,000	-\$687,000
Transitional resettlement allowances.....	200,000	116,000	-\$84,000
Assistance to resettled refugees who become needy.....	5,101,000	4,200,000	-\$901,000
Unaccompanied children.....	3,800,000	3,800,000	-----
Distribution of surplus commodities.....	60,000	54,000	-\$6,000
Hospitalization.....	1,038,000	850,000	-\$188,000
State administration.....	1,146,000	1,146,000	-----
Total, welfare assistance and services.....	19,617,000	17,751,000	-\$1,866,000
III. Refugee resettlement.....	1,690,000	1,350,000	-\$340,000
IV. Education:			
Assistance to Dade County public schools.....	4,156,000	4,156,000	-----
Vocational training.....	1,385,000	1,328,000	-\$57,000
Assistance to college students.....	3,200,000	3,200,000	-----
Professional training.....	400,000	400,000	-----
Total, education.....	9,141,000	9,082,000	-\$59,000
V. Health services:			
Refugee health clinic.....	588,000	588,000	-----
Outpatient services.....	120,000	120,000	-----
Maternal and child health and school health services.....	100,000	100,000	-----
Hospitalization for long-term illness.....	126,000	126,000	-----
Total, health services.....	934,000	934,000	-----
Total obligations.....	32,265,000	30,000,000	-\$2,265,000

Mr. HOLLAND. Mr. President, it is clear, from looking at those figures, that the total reduction of \$2,265,000 related to other items in caring for refugees and their families, resulting in the main from a speeding up of the resettlement of the refugee families, and did not relate at all to the educational group of appropriations which were as follows:

For assistance to Dade County public schools, \$4,156,000; for vocational training, \$1,385,000—there was a reduction there to \$1,326,000 due to the fact that some adults had been resettled; an appropriation for assistance to college students—the number of college students was the same, and that appropriation remained at \$3,200,000; and the professional training allowance of \$400,000 remained the same.

I make this clarification for the RECORD because some persons in the public school system of Dade County, which has been reimbursed in part for the education of Cuban refugee children there, have been understandably anxious to be sure that the reductions in this field of the appropriation did not apply to education because they have worked out a very careful and full arrangement with the appropriate officials in the Department of Health, Education, and Welfare in Washington, D.C., as to the allowance for those educational purposes. There was no reduction as to those educational appropriations, except in the one field of vocational training, and only because of the resettlement of certain adults.

I thank the distinguished Senator from Rhode Island for yielding to me, because I believe that this matter should be clarified for the RECORD.

Mr. ELLENDER. Mr. President—

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I call up my amendment which deals with cuts in the military and ask that it be stated.

The PRESIDING OFFICER. Which page and which line is the Senator referring to?

Mr. ELLENDER. Page 4, line 25.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 4, line 25, it is proposed to strike out "\$1,170,000,000", and insert in lieu thereof "\$1,070,000,000."

Mr. ELLENDER. Mr. President, I regret that because I was engaged on the Senate floor discussing the farm bill, I was unable to participate in the hearings held by the Senate Appropriations Committee with the Senator from Rhode Island presiding. I am confident that if I had been able to participate in those hearings, I could have made a good case which would have led to further cuts in the pending measure.

It will be recalled that the committee reduced the bill below the amount allowed by the House by \$94,265,000. The distinguished Senator from Massachusetts submitted an amendment earlier, which was voted favorably, which cut from the bill an additional \$50 million.

Mr. President, pursuant to the unanimous-consent agreement which I obtained a while ago, as I understand the situation, I have offered three amend-

ments and am entitled to 30 minutes on each one. I have consolidated that time so that I can now make a presentation covering all amendments, with the time that I shall use to be taken from each of the three amendments, and the remainder of the time to be used by me to speak specifically on the amendment before the Senate for a vote.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the allotted time may be handled by the Senator from Louisiana in the manner in which he has described.

The PRESIDING OFFICER. That has already been agreed to.

Mr. ELLENDER. Mr. President, quite a number of suggestions have been made today for cutting back on the military program. One of the amendments failed by only two votes.

What I propose to do is cut back military aid by \$100 million, which is equal to the amount of the increase proposed in the 1966 budget for countries not presently engaged in conflict, such as Taiwan and Ethiopia.

Unfortunately, under the rules of the Senate, all of this data I hold in my hand is secret. I cannot let the American taxpayer know where his money will be used because there is a rule which prevails that, on all foreign aid appropriations made for fiscal year 1966, even the Senator in charge of the bill cannot give to the public the amounts that are being appropriated for various countries.

In any event, I hasten to point out that my amendment does not cut a penny from South Vietnam. It affects only those countries where no strife or crisis exists.

A considerable amount of the increased military aid is going to Taiwan. Why this is so, I just cannot understand. There is no country that we have helped more up to now that has made a greater recovery than has Taiwan, but here we are adding—I cannot give the amount—quite an amount to modernize its army. For what purpose? Every Senator ought to know that even if we furnished Taiwan the most modern equipment we produce, Taiwan still could not succeed in attacking the Chinese mainland.

So far as I know, it has been our hope that no effort would be made by Free China to attack the mainland, because anybody with commonsense knows, or should know, that this little island, which one can almost jump across, could certainly not conquer or take over the mainland of China.

For many years now—and the record will show it—I have been trying, by every means at my disposal, not only to reduce this military assistance, but to cut it out altogether except as it may be necessary for internal security.

I have made a considerable effort in the past to reduce the military assistance program because I firmly felt that it has done our country more harm than good. While it may have served a useful purpose in the early fifties, it has long since ceased to serve any salutary end.

In the year 1956, I offered amendments on the floor of the Senate to the mutual security bill to reduce the military assistance program, but unfortunately my efforts were not productive of any reductions.

In 1957, I tried to reduce military assistance at the markup of the mutual security bill by Senate Appropriations Committee, and once again my amendments were voted down.

Once again, my attempt to bring some sanity to the military aid program was thwarted in 1958, but in 1959 I finally met with some success to taper off the military aid program. I tried to cut the program by \$500 million and was defeated. But on my next effort to reduce the program \$300 million, from \$1.6 billion to \$1.3 billion I was successful.

When I returned from Africa in December of 1962, I feared that the military assistance program we carried on there was going to be considerably expanded. To prevent this eventually from coming to pass, I authored language, which is now section 512 of the Foreign Assistance Act of 1961, as amended, limiting the granting of assistance to the African countries. Specifically, section 512 provided that military aid to all African countries shall not exceed \$25 million, and it shall be furnished only to meet internal security and civic action requirements.

Strange as it may seem, the additional \$110 million in military equipment that the committee has proposed in this bill includes increases for Pakistan—I cannot give the amount—and also for Turkey. The amounts are in excess of what these countries received in fiscal year 1965.

I hope and pray that the Senate will not vote to give more and more equipment to the countries of this world, particularly where those countries are not in danger now, and where they are not engaged in any conflict.

This amendment would not affect any country which is now involved in any conflict, such as South Vietnam.

It would seem to me that the Congress would do well to say to our Administrator of this program, "Let us leave well enough alone. We are providing so much for these countries now, let us not increase it."

When we give military equipment to countries, particularly to countries such as those to the south of us, we can be sure that some day we shall come to rue the time when we made available military equipment to those countries, in the same manner that we should now rue the day we gave military assistance to India and Pakistan, over and above what was necessary for their internal security.

Mr. President, as you will recall, in March of 1963, a report was made by the Committee To Strengthen the Security of the Free World, more commonly known as the Clay Committee. The Clay Committee made a number of recommendations to President Kennedy. I thought those recommendations would have a salutary effect if implemented. I am sure they would have made the foreign assistance program a more formidable tool in achieving the objectives of our foreign policy.



The Clay Committee made no attempt to translate its recommendations into a precise amount of dollars that should be cut from the foreign aid program. But the tenor of its report made it clear that the foreign aid program recommended at the time of the Committee's report for fiscal year 1964 was highly inflated. The Committee also indicated in its report that it would be difficult for the administration to implement its recommendations.

In this connection, on page 20 of its report, the Committee said:

The Committee recognizes that its recommendations to decrease or abolish aid in an [sic] number of countries and otherwise tighten standards will be difficult to implement and provoke charges that they are "politically impossible" in terms of good U.S. relations with countries concerned. The Committee recognizes as well that the political problems of pulling back from ongoing aid programs are much greater than those created by U.S. refusals to extend aid where none previously has been given. Nonetheless, we believe these actions must be undertaken and can be effected by diligent diplomatic effort over a 1- to 3-year period.

The Committee said that "these actions must be undertaken and can be effected by diligent diplomatic effort over a 1- to 3-year period." I regret to state to Senators and the people of the United States that this diligent diplomatic effort has not been accomplished; and the same foreign aid program that existed at the commencement of fiscal year 1964 still exists today and is being proposed for the fiscal year 1966.

Congress appropriated \$3 billion for foreign assistance in fiscal year 1964. That was the year the Clay report was made. This sum was divided into two parts, \$1 billion of which was for military assistance and \$2 billion for economic assistance. In the next fiscal year, the foreign aid program's dollar cost was increased instead of decreased, as the Clay report suggested. For fiscal year 1965, just 1 year after the Clay Committee had made its recommendations to President Kennedy, Congress increased the amount appropriated for foreign assistance to \$3,250 million, which was divided between military and economic assistance and amounted to \$1,055 million and \$2,195 million respectively. For the fiscal year of 1966 the President requested \$3,459,700,000, which was an increase of \$209 million over the amount appropriated by Congress in fiscal year 1965. And this fiscal year 1966 budget has been called a barebones budget by the administration.

It seems that the time spent by the Clay Committee in studying the foreign assistance program was a complete waste of time, money, and effort because it appears that its recommendations have been ignored by both the President and the Congress. To prove that is so, we need only look at certain phases of the program. Let us start with the military assistance program.

The Clay Committee reported, in March of 1963:

The military assistance program should be reduced progressively as the economic capacities of recipient nations improve.

It went further to say:

We believe that in a few years, the basic need for such assistance can be served by an annual appropriation of \$1 billion.

Congress reached this goal of \$1 billion for military assistance in fiscal year 1964, but instead of following through with the recommendations of the Clay committee in the past 2 years, Congress has been retrogressing because, as I previously pointed out, in fiscal year 1965 we appropriated \$1,055 million for military assistance, and for fiscal year 1966 we are making available in the bill presently before the Senate \$1,170 million for a program that has brought nothing but grief to many countries.

I do not have to tell Senators what is happening in India and Pakistan today. The news media are doing a good job. Whose weapons are being used to destroy hundreds of lives, on both sides, in the unfortunate subcontinent of Asia? Mr. President, it is no secret. It is military weapons furnished through the U.S. military assistance program that is financing the death and destruction being wrought there today. The weapons bear the same label "Made in America."

No doubt that the weapons are the same ones that were sent, presumably, for internal security.

The even sadder facts of life about our military assistance program is that when evil is not effected directly through it, it manages to be perpetrated indirectly. For example, just recently we learned that the military arms we furnished Turkey are now being used by Pakistan to kill Indians.

I submit, Mr. President, that if the military assistance program is to be continued in the future, we should try to learn some lessons from the past. Let us not indiscriminately give potent arms to those who will not use them for the purpose intended. The military assistance that we furnish any nation is presumably to be used to oppose our common enemy, the Communists, and primarily for internal security. It was never intended that they be used against those allied with us.

Mr. President, I heartily concur with those who say that military assistance is necessary in South Vietnam. We have gone too far to retreat. There, we are meeting Communist aggression head on, and we should pull no punches in doing whatever is necessary.

I emphasize that my amendment would not take a copper cent from the appropriations provided in the bill for South Vietnam. I believe that some military assistance to South Korea is necessary. The Korean war was intended to be carried on by the United Nations, but our allied friends have left us holding the bag. As a result, we have assumed the entire cost of the war. Not only are we doing that. I wish I could give the figures for economic aid to that area. It amounts to many millions of dollars. We are carrying that load all alone. Those sums and the military assistance we have provided take care of the supplying of 19 divisions of local troops.

The assumption was that if, as, and when we provided South Korea with

those divisions, some day we might be able to pull out. We have been there many years. In addition to supplying all the divisions with food, clothing, and military equipment, two American divisions are tied down in that area.

As I have said, the assistance to South Korea is supposed to be a United Nations action. The record shows that of all the boys who died on the battlefields, outside of Koreans, almost 96 percent were Americans. The record further shows that the cost of that war was borne, almost in toto, by none other than Uncle Sam.

In that area, as the record of last year shows, are two Britishers, two Australians, two New Zealanders, a few Greek troops, and a few Ethiopians, to give the action the color of being a United Nations action. But to add insult to injury, the United States is paying for the logistics of all the soldiers in South Korea, including our own, except the two Britishers, two New Zealanders, and two Australians.

Is it necessary to increase military assistance to nine countries in Latin America to the tune of approximately \$8 million in fiscal year 1966? That is exactly what we are doing in this bill. My amendment would strike out that increase.

Senators who vote for the bill recommended by the committee will be increasing military assistance to nine countries in Latin America to the tune of approximately \$8 million, because the increased Latin American program is included in the \$1,170 million budget estimate for military assistance.

During fiscal year 1965, the President transferred from the contingency fund, which was established solely for economic assistance purposes, \$55 million to a military assistance program that was already \$55 million more than the \$1 billion recommended by the Clay Committee. This amount was taken out of the contingency fund, a fund which was established to supplement, if necessary, economic aid. This transfer of funds was justified to the Congress as being necessary to maintain the security of the free world and as being in our own national interest.

Mr. President, for security reasons I am not able to disprove on the Senate floor that these transfers of funds were unnecessary. However, I can say that during fiscal year 1965, 17 countries received military assistance from us; yet when the fiscal year 1965 program was presented to the Congress, not one of those countries was programed to receive any funds for military purposes.

The money that I now seek to cut from the bill is money that we have given to countries which were not even mentioned during the hearings. Some of those countries received funds for military purposes from the contingency fund.

In the Near East and in Africa, we furnished military assistance to Guinea, Indonesia, and Iraq. As I recall, 7 or 8 years ago we furnished about \$60 million worth of military equipment to Iraq.

What did Iraq do with that equipment? They fought our friends. Yet,

today, knowing that they did that, we are again making military equipment available to them. I think it is shameful.

Lebanon is to receive military equipment, as will Saudi Arabia, Malaysia, Nepal, Nigeria, Sudan, Syria, and Tunisia.

In Europe we furnished a small sum, but imagine furnishing anything to the Netherlands. The Netherlands is a country that certainly is able to supply itself with such equipment as it needs.

We could not neglect some of the countries of Latin America because Mexico, Pan America, and Venezuela—countries which were not programed to receive \$1 of military assistance when the fiscal year of 1965 presentation was made to Congress—received some military assistance during the past fiscal year.

Was a transfer of contingency funds necessary to give military assistance to those countries? Of course the answer is no. That fund was supposed to have been used solely, wholly, and only for economic aid. Yet, this sacred fund was used to furnish military assistance to some of those countries. Some people worry because we get in trouble now and then, as we have in Pakistan and in other places. But trouble for us is inevitable if we continue to increase military aid to countries that are receiving more aid than is necessary to provide for their internal security.

Mr. President, I could continue talking about the blunders that are made in the interest of military security or the national interest through the use of the military assistance program. However, much of the military assistance program is classified secret, and there are other phases of the foreign aid program to which I wish to address myself, under the limited time I have available.

Mr. President, I have an amendment at the desk which I shall call up later. As I stated a while ago, I intended to discuss it now and reserve some of my time to discuss the amendment when more Senators were present. I notice that

there are only two or three Senators present in the Chamber now.

In my opinion, the foreign aid program most prone to further reduction is the Development Loan Fund. I wish that my good friend the junior Senator from Maryland, who is now presiding, would listen to this.

Prior to last year, when Congress insisted on an increase in interest rates, this fund was making so-called loans at terms which provided for three-fourths of 1 percent interest for 40 years, with a 10-year grace period. Of course, Mr. President, I grant that it is not necessarily wasteful to make these so-called loans to underdeveloped countries if the funds are being used to attain sound economic objectives in the particular country. However, I believe it is becoming increasingly difficult for the Agency for International Development to find the type of projects that will enhance the economies of the underdeveloped nations. Evidence of this can be found in the large amount of deobligations and decommitments of loans previously made and also in the huge unobligated balances that existed in the development loan account at the end of fiscal year 1965.

Let us see what has been happening in the development loan account insofar as decommitments and deobligations are concerned. Through December 31, 1964, a total of \$271,511,672.16 had been decommitted or deobligated out of the Development Loan Fund, both old and new, and out of the Alliance for Progress loans. During the first 3 months of calendar year 1965—that is, January through March 31, 1965—a total of \$56,471,089.57 had been decommitted and/or deobligated in these same accounts. Mr. President, all one has to do is project what deobligations and decommitments will be for the remaining 9 months of calendar year 1965 to obtain the possible annual rate of deobligations and decommitments. If this computation is made, it will be found that during

the coming year approximately \$225 million of loans previously made will be decommitted or deobligated. This means, then, that over and above the \$744 million which the committee is recommending for development loans in the bill before the Senate, another quarter of a billion dollars will be made available to finance loan programs in the coming fiscal year because of deobligations and decommitments.

Mr. President, I have here some examples of these deobligations. I do not want to read them all or put them all in the RECORD. However, I cite a few examples.

In the Philippines, we authorized \$5,300,000 for a pulp and paper mill. That money has not been spent because the sponsors withdrew the application. Thus that money is now available for reobligation and may be used in place of new funds.

In the same country, there was a return of an obligation of \$9,850,000. The reason for the decommitment is that it represented an unused balance of a fiscal year 1955 project commitment for \$50 million, which was terminated in June of 1961.

Also in the Philippines, there was a program for an industrial explosion plant. Loaned out was \$2,100,000—\$1,769,432 of that amount was returned because the company that obtained the grant was dissolved. It could not proceed further. That means that our country will probably lose the difference because this company is now dissolved.

Mr. President, there are countless examples, I could cite, but I do not have time.

I ask unanimous consent that a few samples which are indicative of the amounts that have been first obligated, deobligated, and then decommitted be printed at this point in the RECORD.

There being no objection, the samples were ordered to be printed in the RECORD, as follows:

## EXHIBIT A

## AGENCY FOR INTERNATIONAL DEVELOPMENT

*Listing of amounts canceled, terminated, or reduced on old DLF liquidating account, new DLF, and Alliance for Progress loans*

[As of Dec. 31, 1964]

Country and loan No.	Purpose	Amount authorized	Amount of agreement	Amount expended	Amount deobligated and/or decommitted		Remarks
					Decommitted	Deobligated	
LATIN AMERICA							
Argentina:							
510-A-003	Economic development	\$24,750,000	\$24,612,828.38	\$24,612,828.38		\$137,171.62	Project completed.
510-A-004	Road loan—Routes 18 and 126	6,000,000	667,149.38	667,149.38		5,332,850.62	Inadequate performance by the contractor.
Bolivia:							
511-A-001	Sugar mill	2,500,000	2,498,149.17	2,498,149.17		1,850.83	Project completed.
511-H-022	Edible-oilseed mill and animal-feed plant	2,000,000			\$2,000,000		Canceled because of the question of the market, and the withdrawal of interest on the part of the management firm.
Brazil:							
512-A-003	Resettlement project	240,000	210,266.36	210,266.36		29,733.64	Project completed.
DLF 52	do	300,000			300,000		Remarks will be furnished subsequently.
Chile:							
513-A-005	Airport design	300,000	103,237.00	103,237.00		196,763.00	Originally 3 airports were to be designed. Borrower used DLF funds for 1 and its own funds for the other 2.
Colombia	Housing, resettlement, and penetration roads	5,000,000			5,000,000		Portion of a \$25,000,000 DLF allocation for establishment of a housing bank for which the COC did not enact legislation establishing the institution.



Listing of amounts canceled, terminated, or reduced on old DLF liquidating account, new DLF, and Alliance for Progress loans—Con.

[As of Dec. 31, 1964]

Country and loan No.	Purpose	Amount authorized	Amount of agreement	Amount expended	Amount deobligated and/or decommitted		Remarks
					Decommitted	Deobligated	
LATIN AMERICA—CON.							
Costa Rica: DLF 211	La Libertad Rd.	\$125,000			\$125,000		Loan made contingent upon an IDB loan for colonization. The IDB loan was never consummated.
515-A-002	Resettlement project	300,000	\$299,883.18	\$299,883.18		\$116.82	Project completed.
Guatemala: DLF 108	Kenafi bag factory	400,000	399,217.15	399,217.15		782.85	Do.
Haiti: 521-A-001	Irrigation	4,300,000	4,251,675.23	4,251,675.23		48,324.77	Do.
521-A-002	Highway engineering	300,000	298,720.00	298,720.00		1,280.00	Do.
DLF 108	Sugar mill	3,000,000			3,000,000		Remarks will be furnished subsequently.
Nicaragua: 524-A-001	Public utilities	600,000	585,278.11	585,278.11		14,721.89	Project completed.
524-L-007	Rural electrification	450,000	400,000.00		50,000		Remarks will be furnished subsequently.
Paraguay: 526-A-004	Road improvement	2,500,000	2,499,936.65	2,499,936.65		63.35	Project completed.
526-A-005	Modernization of operations	2,600,000	2,574,410.37	2,574,410.37		25,589.63	Do.
526-A-008	Road improvement	7,750,000	7,100,000.00	6,353,592.03	650,000		Original project costs overestimated; revised before obligation.
Peru: DLF 119-A	Savings and loan association	1,000,000			1,000,000		Association was not willing to assume maintenance of value.
(—)	Housing, resettlement, and penetration roads	6,700,000			6,700,000		Portion of \$25,000,000 DLF allocation to be used in establishing a public institution to support private saving and loan associations; legislation never enacted.
527-A-019	Penetration roads	1,800,000	1,347,812.26	1,330,733.48		452,187.74	Project overestimated; now completed.
Total, Latin America		72,915,000	47,848,563.24	46,685,076.49	18,825,000	6,241,436.76	
FAR EAST							
China: 484-A-004	Cement plant	3,000,000	2,992,220.97	2,992,220.97		7,779.03	Project completed.
484-A-006	1st railway loan	3,200,000	3,026,024.34	3,026,024.34		173,975.66	Do.
484-A-007	Expansion of shipyard	2,000,000	212,981.31	212,981.31	1,100,000	687,018.69	Loan reduced to \$900,000 in 1961. Company sustained heavy losses in construction of 2 oil tankers. It became apparent that it could not repay the loan and disbursements were stopped and the residual deobligated.
484-A-009	Improvement of fishing	686,000	683,374.65	683,374.65		2,625.35	Project completed.
484-A-010	Production of aluminum	1,350,000	1,342,559.52	1,342,559.52		7,440.48	Do.
484-A-012	Small industry loan fund	2,500,000	2,483,182.11	2,483,182.11		16,817.89	Do.
484-A-014	2d railway loan	5,900,000	5,896,413.99	5,896,413.99		3,586.01	Do.
484-A-020	Nanpu thermal power	20,500,000	14,910,000.00	14,273,941.82		5,590,000.00	Procurement of equipment cost less than estimated due to competitive market.
484-A-024	Tachien Reservoir	40,000,000	234,417.94	234,417.94		39,765,582.06	Original project changed for engineering reasons. Funds used for lower Tachien hydroplant and Linkou thermal plant under separate loans.
484-A-039	Shen Ao III thermal plant	21,500,000	20,600,000.00	5,106,216.84		900,000.00	Cost less than estimated.
Indonesia: 497-A-006	Railway rehabilitation	3,000,000	2,694,636.51	2,694,636.51		305,363.49	Project completed.
497-A-009	Automotive parts plant	2,600,000	2,469,486.80	2,469,486.80		130,513.20	Do.
Korea: DLF 95	Building materials	1,100,000				1,100,000.00	Borrower (TEC PAN) proposed project changes with which AID did not agree.
DLF 182	Chemical plant	3,300,000			3,300,000		Political difficulties of borrower (Puk Sam) precluded further AID involvement.
489-A-001	Cement plant	2,140,000	2,139,599.93	2,139,599.93		400.07	Project completed, residual deobligated.
489-A-002	Telecommunications	3,500,000	3,491,279.69	3,491,279.69		8,720.31	Do.
489-A-003	Chung Ju hydroelectric	1,500,000	1,114,631.44	1,114,631.44		385,368.56	Do.
489-A-012	Nylon plant	3,200,000	3,138,000.00	3,130,464.65		62,000.00	Do.
489-A-014	Pusan thermal electric power	20,900,000	20,310,881.00	18,964,419.92		589,119.00	Do.
489-H-016	Procurement of diesel locomotives	8,300,000	6,388,391.10	6,388,391.01		1,911,608.90	Do.
Philippines: DLF 101	Pulp and paper mill	5,300,000				5,300,000.00	Sponsors withdrew application.
(—)	(Project commitment)	9,850,000			9,850,000		Represents unused balance of a fiscal year 1959 project commitment for \$50,000,000 which was terminated in June 1961.
492-A-004	Small industry loan funds	5,000,000	2,691,034.25	2,582,116.90		2,308,965.75	Funds were not being utilized because other sources of funds became available.
492-A-005	Roads and bridges rehabilitation	18,750,000	15,235,305.00	7,493,316.37		3,514,695.00	Project was reorganized.
492-A-009	Industrial explosive plant	2,100,000	330,567.75	330,567.75		1,769,432.25	Company (Orval Chemical) dissolved.
Thailand: (—)	Thermal power	3,000,000			3,000,000		Remarks will be furnished subsequently.
Vietnam: 430-A-004	Vietnam Railway System	9,700,000	7,800,000.00	7,154,059.54		1,900,000.00	Loan project completed. AID is continuing assistance to VNRS.
430-A-005	Saigon-Cholon Water District System	19,500,000	17,500,000.00	8,315,323.78	2,000,000		Remarks will be furnished subsequently.
Total, Far East		223,376,000	137,684,988.30	102,519,627.87	19,250,000	66,441,011.70	
NEAR EAST AND SOUTH ASIA							
Afghanistan: DLF 146	Aircraft acquisition	700,000			700,000		Remarks will be furnished subsequently.
Ceylon: 383-A-002	Irrigation and land development	1,600,000	1,475,942.29	1,475,942.29		124,057.71	Aid to Ceylon discontinued.
383-A-003	Highway development	900,000	894,495.25	894,895.25		5,504.75	
383-A-004	Rehabilitation of highways	750,000	726,000.00	726,000.00		24,000.00	
383-A-007	Airport construction	3,200,000	165,080.00	165,080.00		3,034,920.00	
DLF 103	Ceylon cement plant	4,500,000			4,500,000		

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[As of Dec. 31 1964]

Country and loan No.	Purpose	Amount authorized	Amount of agreement	Amount expended	Amount deobligated and/or decommitted		Remarks
					Decommitted	Deobligated	
NEAR EAST AND SOUTH ASIA—CON.							
Cyprus: 233-H-001	Equipment to consultants	\$2,275,000			\$2,275,000		The recent hostilities resulted in deobligation.
Greece: (—)	Athens-Thessalonica Highway.	13,000,000			13,000,000		Project application withdrawn by Government of Greece.
India: 386-A-006	Railway modernization	40,000,000	\$29,990,755.78	\$29,990,755.78	10,000,000	\$9,244.22	When loan of 40,000,000 was negotiated GOI anticipated this amount would suffice for steel procurement; however, due to price decreases the steel needed was covered by 30,000,000.
386-A-007	Roads, cement, and jute	35,000,000	34,939,161.14	34,939,161.14		60,838.86	Project completed; deobligation represents unused balance.
386-A-010	Railway modernization	35,000,000	34,991,053.12	34,991,053.12		8,946.88	Do.
386-A-011	Steel imports, public	18,000,000	17,908,152.49	17,908,152.49		91,847.51	Do.
386-A-012	Steel imports, private	22,000,000	21,924,345.96	21,924,345.96		75,654.04	Do.
386-A-014	Capital equipment, private	15,000,000	14,865,060.41	14,865,060.41		134,939.59	Do.
386-A-016	Steel imports	20,000,000	19,506,925.57	19,504,933.89		493,074.43	Do.
386-A-019	Thermal power	3,900,000	3,779,624.07	3,770,553.00		120,375.93	Do.
386-A-023	Road transport	13,100,000	13,072,990.08	13,072,990.08		27,009.92	Do.
386-A-029	Kanpur thermal power	1,600,000	1,512,587.74	1,512,587.74		87,412.26	Do.
386-A-046	2d Sharavathi hydroelectric	21,500,000	18,400,000.00	5,273,715.18		3,100,000.00	Government of India decided to finance turbines with French credit.
386-H-076	West coast papermill	6,300,000			6,300,000		This was a private project and after loan was authorized the private investor had a disagreement and the project collapsed.
Iran: 265-A-005	Plan organization, economic development.	47,500,000	45,912,478.24	45,912,478.24		1,587,521.76	Project completed.
DLF 181	Bandar Abbas port	12,000,000			12,000,000		Canceled at the request of the Government of Iran, which decided because of financial difficulties to postpone the project until the 3d plan.
Israel: 271-H-063	Development program (1st)	10,000,000	9,995,983.50	9,991,714.96		4,016.50	Project completed.
Jordan: 278-A-001	Electric power project	1,200,000	1,198,090.97	1,198,090.97		1,909.03	Project completed; deobligation represents unused balance.
278-A-002	Phosphate mine expansion	2,500,000	1,269,026.36	1,269,026.36	1,000,000	230,973.64	Government of Jordan elected to repay amount drawn down and refinance the project through other sources.
DLF 160	Development bank	1,000,000			1,000,000		Remarks will be furnished subsequently.
Lebanon: 268-A-003	Aluminum plant	400,000	369,590.05	369,590.05		30,409.95	Project completed; deobligation represents unused balance.
DLF 96	Electric powerplant	500,000			500,000		Remarks will be furnished subsequently.
(—)	Project commitment	12,000,000			12,000,000		Do.
Pakistan: 391-A-006	Water and sewerage	5,500,000	4,000,000.00	3,705,072.96		1,500,000.00	Karachi Development Authority notified AID that \$4,000,000 satisfied requirements for equipment under this project.
391-A-013	Power transmission lines	14,700,000	12,214,775.32	11,637,086.03		2,485,224.68	Karachi Development Authority desired to use \$1,500,000 left for a balancing works. AID declined; considered not feasible at this time.
391-A-018	Jet runway	4,800,000	3,045,130.30	3,045,130.30	1,000,000	754,869.70	Project virtually completed; deobligation represents unused balance.
391-A-022	Expansion gas treating plant	2,000,000	1,993,693.59	1,993,693.59		6,306.41	Project completed. Decommitment for \$1,000,000 based on decision that borrower did not need all of equipment.
391-A-035	3d railways	6,500,000	6,499,369.57	6,499,369.57		630.43	Project completed; deobligation represents unused balance.
391-H-041	PICIC—4th	7,500,000			7,500,000		Do.
391-H-042	Thermal power generating station.	26,000,000	18,900,000.00	13,628,472.79		7,100,000.00	Decommitted because bank would not be able to fully utilize loan at this time.
391-H-044	Sul Gas Transmission, Ltd.	2,800,000			2,800,000		Sufficient funds still available under previous loans.
391-H-061	Dacca International Airport	4,300,000			4,300,000		Reduction in the amount of the loan is due to an increased contribution by the borrower from its own resources to cover rising local costs.
391-H-067	Balancing works, water and sewerage.	3,100,000			3,100,000		Borrower requested revisions which changed the scope of the project.
DLF 69	Port of Chalna	2,000,000			2,000,000		The Government of Pakistan is proceeding with project with their own funds.
(—)	Grain storage	2,500,000			2,500,000		Karachi Development Authority decided that the return on the investment would be insufficient to repay debt.
Syria: 276-A-001	Textile mill	1,000,000	699,997.00	699,997.00	300,000	3.00	Loan was authorized but subsequent to sending the letter of advice, the Government of Pakistan advised U.S. AID they desired certain items changed and substituted. DLF replied requested change, changed scope of project. Required justifications economic and technical were not submitted and loan offer was rejected.
276-A-003	Telecommunications	5,000,000	259,902.08	259,902.08		4,740,097.92	Funds were earmarked but DLF received no application from the Government of Pakistan.
							Project completed; \$300,000 decommitted when DLF discovered that suppliers' credit had been available to finance some of the equipment which initially was to be financed by DLF 90.
							This was a loan to Development Bank for a private business. The nationalization of industry killed off the need.



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[As of Dec. 31, 1964]

Country and loan No.	Purpose	Amount authorized	Amount of agreement	Amount expended	Amount deobligated and/or decommitted		Remarks
					Decommitted	Deobligated	
NEAR EAST AND SOUTH ASIA—CON.							
Turkey:							
277-A-008.....	Aerial mineral survey.....	\$900,000	\$543,974.16	\$543,974.16		\$356,025.84	Loan completed, deobligation represents unused balance.
277-A-015.....	Electric power distribution.....	7,000,000	6,153,218.00	6,027,753.04		846,782.00	Project completed. Borrower submitted request to utilize balance; however, AID considered the request beyond the scope of the loan, and since the TDD had expired deobligated this balance.
277-A-019.....	Railway construction.....	6,000,000	4,300,000.00	3,964,491.31		1,700,000.00	Local funds substituted for foreign exchange.
277-H-037.....	Seflon nylon plant.....	1,800,000			\$1,800,000		The private investor could not satisfy requirements for equity. Project canceled.
DLF 71.....	Plastics and carbide plant.....	6,100,000			6,100,000		Letter of advice authorizing a loan amount of \$6,100,000 was forwarded Dec. 26, 1959; however, proposed partnerships between Monsanto Chemicals and Sicedison and De Nora of Italy was not consummated and therefore proposed borrower corporation was not formed. DLF could not execute loan agreement.
United Arab Republic (Egypt):							
283-A-006.....	Development bank.....	7,000,000	2,500,000.00	2,282,472.63		4,500,000.00	Private business has been nationalized and since there are no longer any potential borrower the loan was canceled.
283-A-007.....	Canning and freezing plant (Edfina).....	450,000	200,000.00	170,061.28	250,000		\$250,000 was reserved for the manufacture of cans by Edfina. Equipment had to be purchased in the United States. Egypt decided against this wanting to make use of a canning plant already existing.
DLF 142.....	Telecommunications.....	1,300,000			1,300,000		United Arab Republic decided it did not want the project.
Total, Near East and South Asia.		463,675,000	334,207,403.04	314,213,603.65	96,225,000	33,242,596.96	
AFRICA							
Congo Republic: 679-H-001.....	Road maintenance equipment.....	2,700,000			2,700,000		Deauthorized due to change in planned project scope and Congo (B) political instability.
Ethiopia:							
663-A-001.....	Cotton textile mill.....	500,000	499,999.94	499,999.94		.06	Project completed.
663-A-003.....	Forestry development.....	180,000	20,965.37	20,965.37		159,034.63	Borrower defaulted.
China:							
675-H-003.....	Electrification project.....	2,400,000			2,400,000		Deauthorized due to change in planned project scope.
Liberia: 669-A-002.....	Telecommunications.....	3,000,000	150,000.00	150,000.00		2,850,000.00	DLF canceled loan due to unsatisfactory contractual arrangements.
Nigeria:							
620-A-001.....	Warehouse construction.....	800,000	663,600.00	663,600.00		136,400.00	Project completed.
620-A-002.....	Track relaying project.....	3,100,000	2,997,198.21	2,997,198.21		102,801.79	Do.
Nyasaland: (—).....	Trans-Zambesia Railway.....	10,700,000			10,700,000		Loan refused due to U.S. procurement requirement.
Sudan: 650-A-001.....	Textile mill.....	10,000,000	9,978,133.70	9,978,133.70		21,866.30	Project completed.
Tanganyika: 616-A-001.....	Mwanza-Musoma Rd.....	1,900,000	1,898,400.00	1,898,400.00		1,600.00	Do.
Total, Africa		35,280,000	16,208,297.22	16,208,297.22	15,800,000	3,271,702.78	
EUROPE							
Spain:							
152-A-047.....	Hydroelectric plant.....	3,900,000	1,679,359.28	1,679,359.28		2,220,640.72	Project completed.
152-A-048.....	Electric switch gear.....	350,000	340,274.44	340,274.44		9,725.56	Do.
DLF 50.....	Irrigation equipment.....	7,700,000			7,700,000		Canceled since Government of Spain failed to contribute local currency for project.
(—).....	GE Espanola—power generation.....	1,200,000			1,200,000		Canceled since financing subsequently became available from other source.
Yugoslavia:							
158-A-011.....	Diesel locomotives (1st).....	5,000,000	4,992,250.34	4,992,250.34		7,749.66	Project completed.
158-A-014.....	Diesel locomotives (2d).....	14,800,000	14,748,552.88	14,748,552.88		51,447.12	Do.
158-A-021.....	Diesel locomotives (3d).....	5,200,000	5,174,639.10	5,174,639.10		25,360.90	Do.
Total, Europe..		38,150,000	26,935,076.04	26,935,076.04	8,900,000	2,314,923.96	

## SUPPLEMENT

Remarks for certain loans not provided in Dec. 31, 1964, report of cancellations, reductions of DLF and Alliance for Progress loans

Region, country, and loan No.	Purpose	Remarks
<b>LATIN AMERICA</b>		
Brazil: DLF 52	Resettlement project	The prospective borrower rejected the offer due to (1) pending lawsuits against its firm, (2) indefinite delay in obtaining roads and other utilities, and (3) increased costs of the new project.
Haiti: DLF 108	Sugar mill	After the loan approval was granted, the DLF Corporation discovered the borrower intended to sell the project and the offer was withdrawn.
Nicaragua: 524-L-007	Rural electrification	Borrower increased its contribution to the project and the loan authorization was accordingly reduced.

## SUPPLEMENT—Continued

Remarks for certain loans not provided in Dec. 31, 1964, report of cancellations, reductions of DLF and Alliance for Progress loans—Con.

Region, country, and loan No.]	Purpose	Remarks
<b>FAR EAST</b>		
Thailand: (No loan number).....	Thermal power.....	Export-Import became interested in financing the loan and it was agreed to cancel the funds earmarked for this project.
Vietnam: 430-A-005.....	Saigon-Cholon water distribution system.	Engineering reports indicated loan amount was overestimated and authorized amount reduced by \$2,000,000.
<b>NEAR EAST AND SOUTH ASIA</b>		
Afghanistan: DLF 146.....	Aircraft acquisition.....	Loans not implemented since it proved impossible to reach agreement with RGA concerning the utilization of the local currency to be repaid by the prospective borrower.
Jordan: DLF 160.....	Development bank.....	Banking facilities nationalized. DLF Corporation withdrew offer of loan.
Lebanon: DLF 96.....	Electric powerplant.....	Project independently financed by BCAIF (development bank) funded by DLF loan No. 99.
(No loan number).....	Project commitment.....	USAID and officials of the Government of Lebanon recommended that the funds be de-earmarked.

## EXHIBIT B

Listing of amounts canceled, terminated, or reduced on all DLF liquidating account, new DLF and Alliance for Progress loans for the period Jan. 1 through Mar. 31, 1965

Country and loan No.	Purpose	Amount authorized	Amount of agreement	Amount expended	Amount deobligated and/or decommitted		Remarks
					Decommitted	Deobligated	
LATIN AMERICA							
Bolivia: 511-L-016 .....	La Paz-El Alto highway .....	\$3,900,000.00	\$3,900,000.00	-----	-----	\$3,900,000.00	New Bolivian Government determined the project not to be of highest priority in its development program.
Brazil: 512-L-013 .....	Feasibility studies .....	1,500,000.00	-----	-----	\$1,500,000	-----	Borrower requested cancellation and will request a loan for technical assistance to train Brazilians to make feasibility studies.
Colombia: 514-L-024 .....	Procurement of commodities.	60,000,000.00	59,954,026.09	\$59,953,368.21	-----	45,973.91	Terminal date expired.
Ecuador: 518-A-006 .....	Highway construction .....	4,700,000.00	4,700,000.00	3,704,184.19	-----	500,000.00	Loan agreement project overestimated.
Unannounced loan authorizations.		24,950,000.00			24,950,000		Decommitted for political reasons.
Total, Latin America.		95,050,000.00	68,554,026.09	63,657,552.40	26,450,000	4,445,973.91	
FAR EAST							
China: 484-A-016 .....	Telecommunications .....	2,000,000.00	2,000,000.00	1,978,876.73	-----	16,123.27	Project completed and funds not needed. Requirements less than original estimate.
484-H-026 .....	Taiwan telecommunications.	5,200,000.00	5,200,000.00	320,878.56	-----	1,014,453.04	
Korea: 489-A-012 .....	Nylon plant .....	3,138,000.00	3,138,000.00	3,130,464.65	-----	7,535.35	Project completed and funds not needed. Requirements less than original estimate.
489-H-015 .....	Cement project .....	4,250,000.00	4,250,000.00	3,872,865.33	-----	218,036.24	
Philippines: 492-A-004 .....	Small industry loan fund .....	2,691,034.25	2,691,034.25	2,588,055.96	-----	27,183.76	Project completed and funds not needed.
Total, Far East .....		17,279,034.25	17,279,034.25	11,891,141.23	-----	1,283,331.66	
NEAR EAST AND SOUTH ASIA							
Ceylon: 383-A-007 .....	Airport construction .....	165,080.00	165,080.00	93,002.39	-----	72,077.61	Assistance to Ceylon discontinued. Greece has reached a development stage where it can get loans and credits from regular international sources without the necessity of relying on foreign assistance or concessionary terms.
Greece: 240-H-021 .....	Development bank .....	5,000,000.00	5,000,000.00		-----	5,000,000.00	
240-H-022 .....	do .....	5,000,000.00	5,000,000.00	82,682.05	-----	4,917,317.95	
India: 386-A-019 .....	Thermal power project .....	3,779,624.07	3,779,624.07	3,770,553.00	-----	9,071.07	Project completed. Deobligation represents unused balance.
386-H-128 .....	Ramgarh coal mine and coal washery.	8,500,000.00	-----	-----	8,500,000	-----	GOI unable to give assurances that coal from Ramgarh would not be utilized by the Soviet-financed steel mill at Bokaro.
Israel: 271-A-052 .....	Telephone development .....	6,000,000.00	6,000,000.00	5,979,895.12	-----	20,104.88	Project completed. Deobligation represents unused balance.
Pakistan: 391-A-006 .....	Water sewerage disposal .....	4,000,000.00	4,000,000.00	3,771,579.30	-----	228,420.70	Do.
391-A-010 .....	Railway rehabilitation .....	9,100,000.00	9,100,000.00	9,019,399.86	-----	80,600.14	Do.
391-A-011 .....	Karnafuli multipurpose dam.	20,250,000.00	20,250,000.00	17,969,652.00	-----	2,097,000.00	Do.
391-A-012 .....	Land reclamation .....	15,200,000.00	15,200,000.00	14,962,035.38	-----	229,560.66	Do.
391-A-017 .....	Inland waterways .....	1,750,000.00	1,750,000.00	1,719,994.27	-----	30,005.73	Do.
391-A-019 .....	Development bank .....	10,000,000.00	10,000,000.00	9,903,279.11	-----	96,720.89	Unused balance deobligated because PICIC has available funds under the more recent loan PICIC III.
391-A-020 .....	Railway rehabilitation .....	22,000,000.00	22,000,000.00	21,870,695.39	-----	129,304.61	Project completed. Deobligation represents unused balance.
391-H-039 .....	Iron and steel imports .....	90,000,000.00	90,000,000.00	89,055,008.80	-----	944,481.65	Do.
391-H-046 .....	General commodity imports.	42,000,000.00	42,000,000.00	41,326,934.69	-----	644,193.90	Do.



## EXHIBIT B—Continued

Listing of amounts canceled, terminated, or reduced on all DLF liquidating account, new DLF and Alliance for Progress loans for the period Jan. 1 through Mar. 31, 1965—Continued

Country and loan No.	Purpose	Amount authorized	Amount of agreement	Amount expended	Amount deobligated and/or decommitted		Remarks
					Decommitted	Deobligated	
NEAR EAST AND SOUTH ASIA—CON.							
Turkey: 277-A-019.....	Railway construction.....	\$4,300,000.00	\$4,300,00.000	\$3,964,491.31	-----	\$316,610.70	Project completed. Deobligation represents unused balance.
Total, Near East and South Asia.	-----	247,044,704.07	238,544,704.07	223,489,202.67	\$8,500,000	14,815,470.49	
AFRICA AND EUROPE							
Ethiopia: 663-A-005.....	Jet aviation facilities.....	3,100,000.00	3,100,000.00	2,638,512.22	-----	461,487.78	Project completed. Do.
663-A-006.....	Road maintenance.....	3,600,000.00	3,600,000.00	3,311,558.50	-----	248,742.29	
Yugoslavia: 158-A-012 (DLF 84) ..	Kosovo thermal electric, phase I.	9,000,000.00	9,000,000.00	8,733,916.56	-----	266,083.44	Do.
Total, Africa and Europe.	-----	15,700,000.00	15,700,000.00	14,683,987.28	-----	976,313.51	

Mr. ELLENDER. Mr. President, here is another nice amount that we made available to Iran, oil rich Iran, for the purpose of constructing a port at Bandar Abbas, we made a loan of \$12 million. The sum was later decommitted. The reason given was, "Canceled at the request of the Government of Iran. It was decided, because of financial difficulties, to postpone the project until the Third Plan."

What that means is that we offered that sum on certain conditions, and Iran was unable or unwilling to meet those conditions. I presume we had asked them to pay so much, but they could not pay it. Probably they wanted us to grant the entire amount. Anyway, it was canceled.

There are any number of programs and projects similar to the ones I have cited, which have been decommitted or canceled; and all that money is now available for loaning. That sum will be added to the huge sum now requested and provided for in the pending bill.

As I pointed out, further evidence of the inability of the Agency to find sound economic projects to be funded by loan can also be found in the huge unobligated balance which existed in the development loan account at June 30, 1965.

It is indicated in the committee report that these balances amounted to \$91,292,000 at the end of fiscal year 1965. In this connection, I should point out that at April 30, 1965, the AID had been able to obligate only 55 percent of the funds available for development loans during that fiscal year. During the last 2 months of fiscal year 1965, approximately \$271 million was obligated for development loans, out of a total availability of \$822 million. Thus, approximately 33½ percent of the funds available were obligated in the last 2 months of the fiscal year.

It was possible for the Agency to obligate such a large amount of funds in the last 2 months of the fiscal year because section 103 of the general provisions of the bill now before the Senate does not apply to the development loan account. As Senators know, section 103 provides that not more than 20 percent of any ap-

propriation item made available by this title shall be obligated and/or reserved during the last month of availability.

But I submit that, notwithstanding it being within the law to obligate more than 20 percent of the development loans in the last 2 months of the fiscal year, the actual obligation of 33½ percent of the funds of the development loan account in the last 2 months indicates poor programing and great inefficiency in administration.

I reiterate that that is why so much of this fund has been decommitted. However, the money was obligated in advance before the year expired, so that it could be said that the money left over was little or nothing. Yet, as I pointed out, for them to have obligated a third of the full amount appropriated during that fiscal year in the last 2 months of the program showed, in my opinion, poor management.

I am confident that a considerable amount of this 33½ percent that has been obligated in May and June of 1965 will be deobligated during fiscal year 1966 simply because the obligations were really never firm and the agency is having difficulty finding worthy economic projects requiring development loan financing.

Mr. President, let us not kid ourselves. The development loan program that is submitted to Congress each year is completely illustrative. There is hardly anything in it that will really come to be. Those programs that eventually come into being bear little resemblance to the evanescent illustrative programs presented to Congress each year.

In some of the countries for which development loan funds are requested, the amount of development loan assistance seems to be deliberately understated. This understatement usually takes place in countries which are highly developed and really should not even be on the dole. An outstanding example of a country in this category is Israel.

In fiscal year 1965, the AID program for Israel which was submitted to the Congress indicated that the development loan program would amount to a low range of zero and a high range of \$10

million. Actually, development loans made to Israel in fiscal year 1965 amounted to \$20 million.

The money is supposed to help underdeveloped countries. The people in Israel are as well provided for as are our own people. The people in Israel have a high per capita income. The economy of Israel is patterned after our own economy. Yet we are making soft loans to a country that is very well developed.

An \$8 million loan was made to Israel to meet the foreign exchange costs of imports, of capital equipment, and materials for the country's investment program. Another loan was made to this country in the amount of \$12 million to assist the Government of Israel implement its agricultural development plan by providing foreign exchange for machinery and equipment to increase mechanization of farming and control of irrigation water.

Mr. President, there is no excuse for making these loans to Israel out of the Development Loan Fund. I concede that the loans were made for worthy purposes. I grant that they were made to obtain excellent economic objectives, but the bank that should have financed these loans was the Export-Import Bank and not the Development Loan Fund. Israel is a prosperous country and able to service loans from the Export-Import Bank. There is no need to make soft loans out of the Development Loan Fund to this highly developed nation.

In fiscal year 1964, the development loan presentation to the Congress indicated that the loan program contemplated for Israel was a low range of zero to a high range of \$20 million. Loans finally made in fiscal year 1964 aggregated \$45 million. In this connection, I would like to refer to the foreign assistance hearings held before the Senate Appropriations Committee last year; not the hearings just recently concluded by the committee.

On page 437 of last year's hearings, the acting chairman, Senator PASTORE, interrogating Mr. Gaud of AID, stated:

Senator PASTORE. Looking back to the Israel loan of last year, it was contemplated

to be \$15 or \$20 million and finally ended up under the revised program of \$45 million.

Mr. GAUD. Yes, sir.

Senator PASTORE. Why was that increased? What accounted for that?

Mr. GAUD. As you know, Mr. Chairman, these requests are made a long time in advance and in February of 1962 when we made up that request we were hopeful that \$15 or \$20 million would fill the need as far as Israel was concerned, but we were persuaded before the fiscal year was out that Israel's foreign exchange, balance of payments, and her entire economic position was such as to justify \$45 million, which was the same amount we had given her the year before.

Mr. President, it is the same old story year after year: to deliberately understate the loan program for some of the prosperous countries, and to overstate the program in those countries where there is a need for development loan funds; a need—I might add—that is not difficult to justify to Congress. Countries falling in this category—just to name two—are India and the Philippines.

The Philippines, for instance, was scheduled to receive \$15 million of development loans in fiscal year 1965 but, subsequently, after Congress had acted on the AID program the Philippines loan program was revised downward to zero. In taking this action, the Agency for International Development pointed out:

The Philippine development loan applications, which were expected to be received during fiscal year 1965, did not materialize because the preliminary surveys had not been completed and the Philippine Government could not raise the local funds required for other potential AID loan projects.

In the case of India for fiscal year 1965, this huge country was programed to receive \$385 million of development loans. This sum was later revised downward to \$350 million.

Mr. President, I submit that the Agency for International Development should be admonished to cease and desist deceiving Congress. The way to effect this admonishment is to cut back the development loan funds in this bill. I believe that programs presented in the justifications to Congress, while being illustrative, should really square with the intent of the Agency instead of being meaningless window dressing in order to get the Congress to act favorably on the requests for appropriations. The practice of understating aid to be granted to prosperous countries, and overstating aid to be granted to those in dire need, must end immediately.

I believe that AID has really been in the business long enough now to have obtained sufficient experience and it has on hand a sufficient number of loan applications to present to Congress a sound and meaningful aid program for development lending. There really is no excuse for inflating and deflating the request for loan funds, which appears to be done solely for the purpose of manipulating votes in Congress.

Mr. President, another appropriation account in this bill that is overfunded is the general contingency fund. Mr. President, we must call this contingency fund the general contingency fund because, for the first time in the foreign assistance appropriation bill, we now have a

second slush fund, which is known as the special contingency fund for southeast Asia. Lest anyone be confused, I am not now addressing my remarks to the special contingency fund for southeast Asia, which is also in this bill and is funded to the tune of \$89 million. Rather, I am addressing my remarks to the general contingency fund, which is funded to the extent of \$50 million.

Mr. President, for years, I, along with other Members of Congress and especially of the Senate, have put forth considerable effort to stop the abuses in the uses of the general contingency fund. This fund was initially established in 1958 to give the President the funds he required to provide help in any economic, political, or natural emergency abroad, in order to further the general objectives of the then existing mutual security program. It was not to be used for military contingencies. The same language contained in the Mutual Security Act was brought forth as section 451 of the Foreign Assistance Act of 1961, as amended, and it reads as follows:

SEC. 451. CONTINGENCY FUND.—There is hereby authorized to be appropriated to the President for the fiscal year 19\_\_ not to exceed \$\_\_\_\_\_ for use by the President for assistance authorized by part I in accordance with the provisions applicable to the furnishing of such assistance, when he determines such use to be important to the national interest.

Part I referred to in section 451 is that part of the Foreign Assistance Act of 1961, as amended which is concerned with economic assistance to foreign countries. Part I of the Foreign Assistance Act has absolutely nothing to do with the granting of military assistance, which is provided for in part II of the aforesaid act. Nevertheless, a review of the uses to which the section 451, contingency fund, has been put over the past 2 fiscal years would lead one to conclude otherwise.

Let us take a look at the uses of the resources of the contingency fund during these years, bearing in mind that since its creation 6 years ago the contingency fund has been similarly abused.

In fiscal year 1964, there were funds available in the general contingency fund of \$184,774,000. During the course of that year, these funds were put to use in both the military and economic areas notwithstanding the fact that the contingency fund was supposed to be used for economic purposes only.

During fiscal year 1964, \$75 million was transferred to the military assistance program; \$50 million was loaned to Brazil for the procurement of essential commodities; \$38 million was made available to Vietnam for commodities for the counterinsurgency program and commercial import program; \$8,850,000 was made available for air support costs and subsistence and other commercial consumables; \$2,724,000 was made available for U.N. peacekeeping in Cyprus; \$3,400,000 was made available to Bolivia for budgetary support; and only \$4 million was made available for the relief of victims of natural disasters and civil strife in countries throughout the world. By

the end of fiscal year 1964, a small unobligated balance of only \$800,000 remained in the contingency fund.

Mr. President, I ask unanimous consent to have printed in the RECORD exhibit C, which explains this point.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

#### EXHIBIT C

Status of fiscal year 1964 contingency fund as of June 30, 1964 (preliminary)

[In thousands of dollars]

RESOURCES	
Appropriation	\$50,000
Other availabilities:	
Unobligated carryover	127,099
Reimbursements	2,400
Recoveries (deobligations)	5,275
Total	134,774
Total available	184,774
USES	
Sec. 610 transfer to other appropriations:	
To military assistance program	75,000
To American schools and hospitals abroad	1,600
Total	76,600
Obligations <sup>1</sup>	107,428
Unobligated balance	746
Total	184,774
<sup>1</sup> Contingency fund obligations:	Amount
Laos: Air support costs and subsistence, and other commercial consumables	\$8,850
Thailand: Costs in connection with U.S. Army portable transmitter loaned to Thai Government	300
Vietnam: Commodities for counterinsurgency program and commercial import program	38,026
Bolivia: Funds for budgetary support	3,412
Brazil: Loan for procurement of essential commodities	50,000
Panama: A and E services shortfall for school construction	150
U.N. peacekeeping—Cyprus: To meet U.S. pledge to U.N. peacekeeping force in Cyprus	2,724
Disaster relief: Relief of victims of natural disasters and civil strife	3,966
Total	107,428

Mr. ELLENDER. In fiscal year 1965, Congress appropriated \$99,200,000 for the general contingency fund and with the carryover of \$800,000 from fiscal year 1964, a total of \$100 million should have been available for fiscal year 1965. But because of deobligations, the \$800,000 unobligated balance was swollen to a figure of \$6,800,000 so that in excess of \$106 million was available for the contingency fund in fiscal year 1965.

And how were these funds used, Mr. President?

Remember, as I have said, that this contingency fund was to be used, as I understand the law and the rules, for economic assistance. But listen to how it was used.

Once again, a transfer was made to the military assistance program. This



time the amount was \$55 million: \$5,800,000 was used in British Guiana; almost \$21 million was used in the Dominican Republic; \$5½ million in Panama for budgetary support; \$15 million in Vietnam; once again, \$5 million for peacekeeping in Cyprus; and a little over \$4½ million for natural disasters. It would appear to me that the bulk of these funds has been used to fund situations that were not contemplated in section 451 of the Foreign Assistance Act of 1961, as amended.

I ask unanimous consent that there may be printed in the RECORD at this point an exhibit marked "D" which explains the situation.

The PRESIDING OFFICER (Mr. HARRIS in the chair). Without objection, it is so ordered.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

#### EXHIBIT D

##### ECONOMIC ASSISTANCE

Status of fiscal year 1965 contingency fund as of June 20, 1965 (preliminary)

[In thousands]

RESOURCES	
Appropriation.....	\$99,200
Other availabilities:	
Unobligated carryover.....	3,160
Recoveries (deobligations).....	13,004
<b>Total.....</b>	<b>16,164</b>
<b>Total available.....</b>	<b>115,364</b>

##### USES

Sec. 610 transfer to other appropriations:	
To military assistance program.....	55,000
Obligations.....	57,506
Unobligated balance.....	2,858
<b>Total.....</b>	<b>115,364</b>

##### Contingency fund obligations:

	Amount
British Guiana.....	\$5,800
Dominican Republic.....	20,710
El Salvador.....	2,000
Panama.....	3,500
Panama.....	500
Tunisia.....	145
Vietnam.....	15,000
U.N. peacekeeping—Cyprus.....	5,052
Dominican Republic.....	133
Disaster relief.....	4,666
<b>Total.....</b>	<b>57,506</b>

##### REMARKS

Rehabilitation and maintenance of roads, seawalls, and the international airport.  
Relief and rehabilitation to prevent economic deterioration.

Budgetary support to facilitate emergency earthquake reconstruction efforts.

Loan for budgetary support.

Grant for budgetary support.

Rehabilitation of railroad bridge washed out by floods.

Provision of essential commodities for the civil economy.

U.S. pledge for emergency peacekeeping in Cyprus.

U.S. contribution to special OAS fund for emergency assistance.

Relief of victims of natural disasters and civil strife.

Mr. ELLENDER. But even if all of the obligations in the various countries could be justified, surely the transfers to

military assistance aggregating \$130 million over the past 2 years from the contingency fund cannot possibly be sanctioned. Because the fact is that there is a source of funds already provided under the Foreign Assistance Act to take care of any military contingency that may fortuitously occur during the year.

Section 510(a) of the Foreign Assistance Act gives the President special authority to use up to \$300 million for contingencies that may develop in any particular year should he determine that it is vital to the security of the United States that such be done. And section 510(b) provides that:

The Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursements in amounts equivalent to the value of such orders under subsection (a) of this section. Appropriations to the President of such sums as may be necessary to reimburse the applicable appropriation, fund, or account for such orders are hereby authorized.

The authority granted to the President under section 510 has been available since the passage of the Foreign Assistance Act of 1961 but has never been used until just a few months ago when, for the first time, \$75 million of military assistance was furnished under section 510. The reason why the President had to use section 510 this time was that he ran out of the funds provided for contingencies for economic assistance.

In this connection, I wish to point out that such would not have been the case if I had not offered an amendment last year on the floor of the Senate to reduce the contingency fund by \$50 million. I submit that if this \$50 million had not been cut from the contingency fund, it would have been transferred to military assistance by the President in fiscal year 1965.

Bear in mind that this money was transferred to countries that were never named in the Foreign Assistance Act.

In the past, rather than use section 510 and thereby be compelled to justify it to the Congress—even though it is true it will be after the fact—any uses of funds for military contingencies, the President has consistently thwarted the initial intent of Congress and made transfers to military assistance from funds that were appropriated for uses in the economic aid area.

Just how does it become possible for the intent of Congress to be circumvented by the President if section 451 funds are supposed to be used for economic purposes? How can he make transfers to military assistance? It is really not a simple matter and a considerable amount of legal gymnastics is employed to effect the transfer of large amounts of contingency funds to military purposes. To understand the tortuous process, it is necessary to review other sections of the Foreign Assistance Act.

One can start with section 610 of the Foreign Assistance Act of 1961, as amended, which permits only up to 10 percent transfer of funds from one appropriation account to another. Thus, during fiscal year 1965, if one looks only at section 610 it would seem that it would

have been possible to transfer approximately \$10 million from the contingency fund to military assistance since only \$106 million was available in the contingency fund. Nevertheless, the President was actually able to transfer, and did transfer, \$55 million in fiscal year 1965—and that in direct contravention of the law. To understand this, we must go to the next step in the legal labyrinth which is found in section 614(a) of the Foreign Assistance Act. This section, when read in conjunction with section 610, gives the President all the flexibility he needs in the obligation of foreign aid funds and permits Congress to abdicate any responsibility it may have under the Constitution to control our Nation's purse strings.

Mr. President, I would like to read to Senators the precise language of section 614(a) of the Foreign Assistance Act of 1961, as amended:

Sec. 614. Special Authorities.—(a) The President may authorize in each fiscal year the use of funds made available to use under this Act and the furnishing of assistance under section 510 in a total amount not to exceed \$250,000,000 and the use of not to exceed \$100,000,000 for foreign currencies accruing under this Act or any other law, without regard to the requirements of this Act or the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.), in furtherance of any of the purposes of such Acts, when the President determines that such authorization is important to the security of the United States. Not more than \$50,000,000 of the funds available under this subsection may be allocated to any one country in any fiscal year.

It should be clear that this language gives the President carte blanche to shift funds from any appropriation account of the foreign assistance bill to any other appropriation accounts for the foreign assistance bill just as long as no one particular country is granted more than \$50 million of the funds transferred.

I might point out, Mr. President, that it is for this reason that the amount loaned to Brazil from the contingency fund in fiscal year 1964 was limited to \$50 million. If the limitation of \$50 million were not written into section 614 (a) of the Foreign Assistance Act of 1961, as amended, chances are that this loan would have been for a considerably larger sum.

In view of what has been done with the contingency fund over the years, I am firmly convinced that the contingency fund should be minimal, and I feel that for fiscal year 1966 not more than \$20 million should be allowed to take care of the disasters that occur throughout the world, whether they be economic, political, or natural. Thus, I feel that the \$50 million recommended by the committee for the contingency fund is \$30 million more than is required.

If funds and equipment are needed to provide internal security where Communist subversion threatens, then the President can use the \$300 million provided in section 510(a). In addition, if the funds provided under section 510 (a) should prove insufficient, there are available under section 610 and section 614(a) of the Foreign Assistance Act of 1961, as amended, authorities to make

further millions available for use in the event that disaster or subversion threatens any nation of the free world.

It is time for us to put into effect many of the sound recommendations made by various committees and individuals to improve the foreign assistance program. To tighten up on the general contingency fund is an excellent place to make a beginning to improve the foreign aid program.

Mr. President, may I inquire how much time I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum, with the time for the quorum call to be charged to my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the first amendment of the Senator from Louisiana [Mr. ELLENDER].

Mr. ELLENDER. I ask that the yeas and nays be ordered on all three amendments. If Senators will remain here for the next 10 or 15 minutes we can dispose of all three amendments.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second, and the yeas and nays are ordered on the three amendments.

Mr. PASTORE. The first amendment that is pending would provide for an across-the-board cut of \$100 million in military assistance. As I have indicated this afternoon—and I do not wish to repeat myself—this would be a disastrous cut. The Senate has just rejected the amendment which would have provided for a larger reduction of \$292 million. This is \$100 million, across the board.

I sincerely hope that the Senate will reject it.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

I spoke for over an hour trying to explain the three pending amendments, but there were only about four Senators present.

This cut that I am seeking to make now would reduce the military assistance in 17 countries to what it was last year.

We would increase the military assistance to certain Latin American countries under the pending bill. It would be increased in those countries by \$7,806,000 over last year.

With respect to Ethiopia and Spain, my amendment, if adopted, would prevent an increase of \$17 million.

As I said before, I am not proposing to reduce by one nickel the amount provided for South Vietnam. That amount is not touched at all. The \$100 million cut would affect only the increases that the bill would make to certain countries. I cannot state the amounts to be increased for each country because that is secret. But if Senators knew the

amounts that were added to the various countries and the reasons for so doing, I feel certain that they would vote for my amendments.

I hope the amendment will be adopted. It would save much needed money.

I reiterate that this cut would not affect any country that is now at war. It will affect only countries that we have been assisting for the past 15 or 20 years and some countries that have been newly added to the list.

I hope the amendment will be adopted.

Mr. PASTORE. Mr. President, the Senator from Louisiana has just put his finger on the reason why his amendment should not be adopted. When the Secretary of Defense, through his assistant, appeared before the committee, together with the Chairman of the Joint Chiefs of Staff, the Senator from Rhode Island took each of the classified figures that have been mentioned by the Senator from Louisiana and asked for a detailed, line-by-line explanation of why certain small increases were being made. It is too bad that we cannot speak of secret or classified figures on the floor of the Senate. Possibly much of the confusion that exists on the floor of the Senate could be avoided if Senators, at any time the committee holds a meeting in executive session of highly classified matters, would attend such meeting to learn firsthand why some of the projects are being recommended by the subcommittee and by the Committee on Appropriations itself.

A question has been raised about Taiwan. I cannot say what kind of equipment is necessary for Taiwan or speak about some of the things that are being done over China. It is unfortunate that we cannot talk about that.

All I say is that if we create the impression in Peiping that we will allow Taiwan to have obsolete equipment, we will see a move by Peiping toward Taiwan. We will begin to see pressures applied in the cunning, subtle way that only Communists know how to employ. Let the Communist world begin to think that we will lie down and relax with respect to modernizing some of the equipment our friends have to hold back an onslaught of communism, and we will begin to see the penetration and probing to which Communists are accustomed.

The committee has examined into this subject thoroughly. Senator PASTORE does not favor the squandering of money. I asked for explanations. When Senators read the hearings and come to important parts which read "Deleted, Deleted, Deleted," and ask, "Why?" the answer is that the information is secret. After all, if any Senator has a need to know, I urge him, I implore him, I beg him to visit with the Secretary of Defense and with the Chairman of the Joint Chiefs of Staff to get the answers.

Every nickel that we have recommended for this purpose in the budget has been thoroughly and completely justified. If it is the conscience of the Senate to reduce the amount by \$100 million, I suppose that will be the verdict. But I say, as I said with respect to the amendment to cut \$292 million, do not handcuff the President now. It is too impor-

tant in the history of mankind. Do not handcuff or handicap foreign aid here. Do not start to make meat-ax cuts.

Senators may say that a certain amount of money is in the pipeline. So much the better. I say that money will always have to be in the pipeline. We know that. When we return next year, God willing, there will still be a pipeline. This money is for the security of the free world and for the security of America. Let us not this afternoon indiscriminately make a cut of \$100 million merely because we think we can go home and boast, "I voted to cut \$100 million." Do Senators know what their constituents will say? They will say, "If you were that smart, why did you not kill the whole foreign aid bill?"

There is no glory, political or otherwise, in piecemeal cuts. There is no personal glory in this bill for PASTORE.

As I said earlier today, when I go home, no matter how successful I am, no flags will be flown at my house.

But my home will be more secure if we keep our land secure.

This cut would be a crucial, serious, dangerous cut. Speaking as the manager of the bill and speaking for the administration, I urge Senators not to do it.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LAUSCHE. I wish to make one observation about military aid to South America. The \$78 million provided in the appropriation bill is less than the amount provided 5 years ago. That issue has been argued in the Committee on Foreign Relations.

Mr. PASTORE. An attempt was made in committee to cut the amount by \$25 million. It lost by only two votes.

Mr. LAUSCHE. The \$78 million is less than the amount provided for South American countries 5 years ago. The argument has been: Do not give to the South American countries any money for military purposes. To do so would be harmful to our country.

In the Committee on Foreign Relations we have reduced the amounts so that the amount that has now been recommended is less than it was a half decade ago.

Mr. PASTORE. Mr. President, I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, the Senator from Iowa is not clear on this amendment. The amendment at the desk would cut the figure of \$1.070 billion for military assistance.

Mr. PASTORE. It would cut it from \$1.170 to \$1.070 billion. It would be a reduction of \$100 million.

Mr. MILLER. The Senator is correct. That is all it would do. Now we talk about Taiwan and some of the other countries. I fail to understand how the amendment which would merely cut the figure is necessarily related to Taiwan or any other foreign country.

Mr. PASTORE. I used Taiwan as an example. The same thing would apply to other countries.

What the Senator from Rhode Island is saying is that if we were to create the impression abroad among the Communist world that we were relaxing our modernization program for our allies, we



would be inviting encroachment on the part of communism. As I said today, creeping communism would become galloping communism.

Mr. MILLER. I share the viewpoint of the Senator from Rhode Island and the feeling that it would create such an impression in Communist China. However, when \$100 million is cut out of this total—and nothing more is said in the amendment—I do not quite understand how we can conclude that Taiwan, or any particular country, would be affected by this cut.

I thought that perhaps the Senator from Rhode Island could tell us why.

Mr. PASTORE. The Senator from Louisiana made that argument. He made the argument that we are adding more money for Taiwan; and it is more money than last year. I explained why it should be so. I gave that as an example. We can run down the list, and the same argument would apply.

Mr. MILLER. Mr. President, if the Ellender amendment were to carry, would there be discretion in the administration as to the allocation of the \$1,070 million, so that the administration could use it wherever it thought desirable?

Mr. PASTORE. The Senator is correct. However, somebody's toes would have to be stepped on. When we take 1 quart out of a gallon, we end with only 3 quarts. Let us face it; it must be taken out of somewhere.

Mr. ELLENDER. Mr. President, to answer the Senator, nine of the countries in South America received \$37,922,000 in fiscal year 1965. This measure would give them almost \$8 million more than last year.

Mr. LAUSCHE. It would be an increase over last year?

Mr. ELLENDER. The Senator is correct. It has increased by almost \$8 million.

Mr. LAUSCHE. But it is not an increase over what it was 5 years ago.

Mr. ELLENDER. In the Far East, we are increasing the amount of military aid to countries other than South Vietnam.

In the Near East, in Greece, Iran, Pakistan, and Turkey, we are giving them now a quarter of a billion dollars. The plan is to increase that amount.

My plea is that the amount which we have given them in the past should be enough. I point out again that not one single solitary dime is proposed to be taken away from South Vietnam.

Mr. PASTORE. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The VICE PRESIDENT. All time having been yielded back, the question is on agreeing to the first amendment offered by the senior Senator from Louisiana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Mary-

land [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Pennsylvania [Mr. SCOTT] would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Arizona [Mr. FANNIN]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Arizona would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 35, nays 47, as follows:

[No. 271 Leg.]

YEAS—35

Bayh	Fong	Nelson
Bible	Fulbright	Prouty
Burdick	Gruening	Proxmire
Byrd, Va.	Hruska	Randolph
Byrd, W. Va.	Jordan, N.C.	Robertson
Church	Jordan, Idaho	Russell, Ga.
Clark	McClellan	Symington
Cotton	McGovern	Talmadge
Douglas	Miller	Williams, Del.
Eastland	Morse	Young, N. Dak.
Ellender	Morton	Young, Ohio
Ervin	Mundt	

NAYS—47

Alken	Hayden	Metcalf
Allott	Hickenlooper	Monroney
Bartlett	Hill	Moss
Bass	Holland	Murphy
Boggs	Incuye	Muskie
Brewster	Jackson	Pastore
Cannon	Javits	Pell
Carlson	Kennedy, Mass.	Ribicoff
Case	Kennedy, N.Y.	Russell, S.C.
Cooper	Kuchel	Smathers
Dirksen	Lausche	Smith
Dodd	Long, Mo.	Stennis
Dominick	Magnuson	Thurmond
Harris	Mansfield	Williams, N.J.
Hart	McGee	Yarborough
Hartke	McNamara	

NOT VOTING—18

Anderson	McCarthy	Saltonstall
Bennett	McIntyre	Scott
Curtis	Mondeale	Simpson
Fannin	Montoya	Sparkman
Gore	Neuberger	Tower
Long, La.	Pearson	Tydings

So Mr. ELLENDER's first amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MORTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, if the Senators will remain in the Chamber, we have two more votes coming up in rather rapid succession. Then I hope we can proceed to the third reading.

Mr. ELLENDER. Mr. President, I call up my second amendment, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The legislative clerk read as follows:

On page 3, line 5, strike out "\$593,225,000," and insert in lieu thereof "\$543,225,000."

Mr. ELLENDER. Mr. President, the effect of this amendment—

The VICE PRESIDENT. How much time does the Senator yield himself?

Mr. ELLENDER. I yield myself 5 minutes.

Mr. President, the effect of this amendment is to cut from the general development loan fund, the sum of \$50 million.

I have explained at length why I believe the amendment should be adopted. In the first 3 months of this year, deobligations amounted to \$56 million. Over the past years, there has been deobligated and decommitted almost \$300 million.

We are providing for a sum of \$744,517,000, which, with the deobligated amount, will mean that the AID Administrator will have in excess of \$1 billion to lend, in fiscal year 1966.

Considering the fact that so much of these funds has been deobligated, I think we could easily cut this program by at least \$50 million.

I shall cite a couple of examples which are included in the data I previously included in the RECORD. In the Philippines, there was obligated \$5,300,000, and that sum remained idle for some time, but was finally deobligated overnight. All that money, of course, was returned to the development loan fund for relending.

Also in the Philippines, we loaned \$2,100,000 to an industrial explosives plant which was later deobligated, because the company that had borrowed the money was dissolved.

Mr. President, as I pointed out during my presentation, we have actually decommitted almost \$300 million in loans previously made, and as I pointed out further, in the last 2 months of the last fiscal year, only a third of the money available for loans was obligated.

There is no question in my mind that by obligating these sums so swiftly that mistakes are bound to be made. I urge Senators to vote for my amendment so that we may at least save \$50 million.

Mr. PASTORE. Mr. President, I shall need only 2 or 3 minutes to reply. I would hope that the amendment would be defeated. I realize that there has been some deobligation. But there has been some deobligation every year. This has been true in previous years more so

than this year. It is usual practice and common knowledge. But the committee took all of that into account. It cut the development loan generally, from the estimates of the administration, by \$132 million.

The job has been done by the committee. It has not come up with an astronomical figure over and above anyone else's estimate. The committee cut it below the estimate. It cut it even below the estimate of the House figure on the development loan. I say that we have cut it down to the bare bone. Now we will be getting into the marrow.

A long time ago we decided that the answer was loans, not grants, not giveaways, but borrowing and lending.

I realize that we make many concessions when it comes to the interest element. I have heard all these arguments time and again, but I am saying to the Senate this afternoon that we are aware there has been deobligation, as there should be. That is good administration. We took that all into account, and that is why we cut the development loan by \$132 million.

The committee did its job. It did not do its job by cutting the \$132 million so that it could be compromised down further and sliced another \$50 million. The committee did the job as it saw it, and cut it down to the bone.

I believe that it would be dangerous and serious to cut it any further, and I hope that the amendment will be defeated.

Mr. SYMINGTON. Mr. President, will the Senator from Louisiana yield?

The VICE PRESIDENT. Who yields time to the Senator from Missouri?

Mr. ELLENDER. I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. I would ask a question of the Senator from Louisiana [Mr. ELLENDER]. Are we talking about loans of 40 or 50 years' duration, with no interest charge, and no repayment of principal for 10 years?

Mr. ELLENDER. The Senator is correct.

Mr. SYMINGTON. Then actually we are not talking about loans at all. We are talking about grants.

The VICE PRESIDENT. The question is on agreeing to the second amendment of the Senator from Louisiana.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOLA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], and the Senator from Arizona [Mr. FANNIN] would each vote "yea."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 29, nays 53, as follows:

[No. 272 Leg.]

YEAS—29

Bartlett	Ellender	Murphy
Bible	Ervin	Russell, S.C.
Boggs	Fong	Russell, Ga.
Burdick	Gruening	Stennis
Byrd, Va.	Hruska	Symington
Byrd, W. Va.	Jordan, N.C.	Talmadge
Cotton	Jordan, Idaho	Thurmond
Dirksen	McClellan	Williams, Del.
Dominick	Morse	Young, N. Dak.
Eastland	Mundt	

NAYS—53

Alken	Hickenlooper	Monroney
Allott	Hill	Morton
Bass	Holland	Moss
Bayh	Inouye	Muskie
Brewster	Jackson	Nelson
Cannon	Javits	Pastore
Carlson	Kennedy, Mass.	Pell
Case	Kennedy, N.Y.	Prouty
Church	Kuchel	Proxmire
Clark	Lausche	Randolph
Cooper	Long, Mo.	Ribicoff
Dodd	Magnuson	Smathers
Douglas	Mansfield	Smith
Fulbright	McGee	Tydings
Harris	McGovern	Williams, N.J.
Hart	McNamara	Yarborough
Hartke	Metcalf	Young, Ohio
Hayden	Miller	

NOT VOTING—18

Anderson	McCarthy	Robertson
Bennett	McIntyre	Saltonstall
Curtis	Mondale	Scott
Fannin	Montoya	Simpson
Gore	Neuberger	Sparkman
Long, La.	Pearson	Tower

So Mr. ELLENDER's amendment was rejected.

Mr. PASTORE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I call up my third amendment, on page 2, line 18.

The VICE PRESIDENT. The amendment offered by the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 2, line 18, to strike out the figure "\$50,000,000" and insert in lieu thereof the figure "\$20,000,000".

Mr. ELLENDER. Mr. President, this is the last amendment I have to offer. It is very simple. All of us voted for the contingency fund. That fund was supposed to be used by the President to finance emergency needs that could not be foreseen in advance.

In the 1964 program less than \$4 million was used out of the total amount appropriated for natural disaster. Most of the rest of it was used for military assistance.

As I pointed out in debate, this contingency fund was created, not to furnish military assistance, but to provide economic aid in those situations which could not be foreseen.

In 1965 the sum of only \$6 million-odd was used to provide economic relief from disasters that could not be foreseen, but in that year \$55 million was used directly for military assistance. It was never conceived that emergency funds would be used for anything else but economic aid, but here, in 2 years, the President has used that fund to give military assistance to many countries that were not named in the presentation which was made to the committee.

I hope my amendment is adopted.

Mr. PASTORE. Mr. President, this is what I call a genuine handcuff amendment. This is the amendment that really handcuffs the President of the United States. I dare say I could name five Governors who have a contingency fund greater than \$20 million. Yet here is the President, who is responsible for the security of the Nation in a sensitive world. Here is the President, who is responsible for peace in our time, with all his resources he cannot know today what is going to happen tomorrow. He cannot foretell where or when the emergency may be. Yet, on the floor of the Senate, we are being asked to handcuff the President by reducing this fund from \$50 million to \$20 million because, it is said, we cannot trust the President to use that fund in case of an emergency.

If any amendment should be defeated, this one certainly should.

I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, the President has two other sources he can use in case of emergency. He has as much as \$300 million that he can use under section 510. He has another fund of \$250 million that he can muster under sections 610 and 614 of the Foreign Assistance Act.

I pointed out in my main speech that the emergency fund is to be used solely and only for events that cannot be foreseen. Here the President has used that fund for military purposes. I think it is wrong. It is directly in opposition to what the Congress intended.

Mr. President, I yield back the remainder of my time.



The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the third amendment of the Senator from Louisiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. McINTYRE], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. McCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOLYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

If present and voting, the Senator from Pennsylvania [Mr. SCOTT] would vote "nay".

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Arizona [Mr. FANNIN]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Arizona would vote "nay".

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Texas would vote "nay".

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Massachusetts would vote "nay".

The result was announced—yeas 18, nays 63, as follows:

[No. 273 Leg.]

YEAS—18

Bible	Ervin	Morse
Burdick	Gruening	Mundt
Byrd, Va.	Hruska	Murphy
Byrd, W. Va.	Jordan, N.C.	Russell, Ga.
Eastland	Jordan, Idaho	Talmadge
Ellender	Miller	Thurmond

NAYS—63

Aiken	Carlson	Dominick
Allott	Case	Douglas
Bartlett	Church	Fong
Bass	Clark	Fulbright
Bayh	Cooper	Harris
Boggs	Cotton	Hart
Brewster	Dirksen	Hayden
Cannon	Dodd	Hickenlooper

Hill	McGee	Randolph
Holland	McGovern	Ribicoff
Inouye	McNamara	Russell, S.C.
Jackson	Metcalf	Smathers
Javits	Monroney	Smith
Kennedy, Mass.	Morton	Stennis
Kennedy, N.Y.	Moss	Symington
Kuchel	Muskie	Tydings
Lausche	Nelson	Williams, N.J.
Long, Mo.	Pastore	Williams, Del.
Magnuson	Pell	Yarborough
Mansfield	Prouty	Young, N. Dak.
McClellan	Proxmire	Young, Ohio

NOT VOTING—19

Anderson	McCarthy	Saltonstall
Bennett	McIntyre	Scott
Curtis	Mondale	Simpson
Fannin	Montoya	Sparkman
Gore	Neuberger	Tower
Hartke	Pearson	
Long, La.	Robertson	

So Mr. ELLENDER's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I yield 5 minutes on the bill to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, we again undertake the annual appropriations for some of the foreign aid programs this year amid dark signs that threats to world peace are still with us. Indeed, in many respects they are graver than last year. An acceptable solution to the crisis in Vietnam eludes us while our military and economic commitments to that beleaguered nation steadily rise. Castro still exports his brand of Communist revolution to other countries of Latin America—as is evidenced by his very recent efforts to gain control of the Dominican Republic. The United Nations faces what is probably the sternest test so far of its ability to function effectively as an instrument of international law and order. Dictators of certain countries who have been substantial recipients of our foreign aid resources continue to insult us, destroy and confiscate our property and even take the lives of our citizens. We are witnessing the spectacle of recipients of our military and economic aid using it to wage war against each other.

It is in this setting that we examine the administration's foreign aid appropriations request.

The request this year, as in past years, is misleading and presents a seriously distorted picture to the American people as to the nature and extent of our multifarious foreign assistance programs. Though no one really knows for sure—not even the General Accounting Office—the \$3.907 billion of appropriations called for in the bill before us represents only a fraction of what this country will actually spend on foreign aid for fiscal year 1966. For, in addition to this bill, there are numerous other separate programs including the food-for-peace—a \$1.7 billion item in the forthcoming Agriculture budget—and the foreign expenditures of the Defense Department for another \$3 billion. Of course, the figures I have just alluded to do not include the more than \$6 billion in the so-called foreign aid pipeline for poten-

tial use in fiscal year 1966. By rough estimate there are at least 20 organs of the Federal Government that are involved in the foreign aid business. This effort utilizes the talents of at least 70,000 employees.

THE SALTONSTALL AMENDMENT

Mr. President, I fully supported the effort by the senior Senator from Massachusetts [Mr. SALTONSTALL] to cut another \$50 million from this appropriation. This is in addition to the \$94 million already lopped off in the Senate Appropriations Committee. This additional cut is most reasonable and can hardly be asserted to shake the foundations of a \$4 billion program. In an agency having pipeline funding of at least \$6 billion, it would seem reasonable that this modest sum can be absorbed without much difficulty. As such, this Senator was happy to cosponsor this amendment.

SACKING AND BURNING OF EMBASSIES AND LIBRARIES

Since the Senate last considered foreign aid 1 year ago, we have witnessed shocking and irresponsible behavior by Messrs. Nasser and Sukarno directed against U.S. citizens and their property and indeed outright insults against our Government and wanton destruction of U.S. Government property. Just this week a similar situation occurred in Pakistan.

In the view of this, Senator, the limitations provided for in the authorization bill giving the President discretion to cut off aid to countries who repeat such behavior, though a halting step in the right direction, fall short of the firm stand which is demanded by the outrages to which I have alluded.

The Senate Foreign Relations Committee report on the authorization bill quite properly stated that a number of less developed countries "need to be informed" that they have no inherent right to U.S. assistance. But the message must be made plainly simple and without qualifications: those who would stand idly by while undisciplined mobs destroy our property, those who would go out of the way to insult this country, those who would take the lives of our citizens and expropriate their property are not to continue to participate in our assistance programs so long as they pursue that kind of reckless course.

Flexibility and freedom of action would lie in a firm course. But the choice would rest in the hands of those who would accept our aid. They should be told: "Treat us with respect and common decency, allow our citizens and their property the same courtesies that peaceable men should be accorded in any civilized country or forget about our help."

Long gone is the naive idea that we can buy friendship with our aid dollars, but at least we do not have to pay for criminality, insults, or useless waste.

CUT OFF SUPPORT FOR THE UNITED NATIONS?

The financial difficulties which now beset the United Nations are truly the most serious threat to the viability of the world body since its inception. Although a final showdown has been averted temporarily by a major retreat

by the United States, the result has been that now the U.N. Charter can be flouted at will by any nation that chooses to do so. While Russia, France, and others refuse to honor their just obligations, U.S. foreign aid dollars provide the financial transfusions to keep the U.N. afloat. We are giving over \$144 million for the year—and I am sure that will be only a starter. This is to be added to the \$2.4 billion already contributed or loaned by the United States—a whopping 45 percent of the 20-year spending record of the U.N.

If the member nations cannot meet their commitments, if the charter becomes but a scrap of paper, then it is high time for the United States to sit back to reassess and reconsider its participation in or at least such heavy support of the United Nations.

#### VIETNAM AND SOUTHEAST ASIA

We are considering in this bill economic and military aid requests for Vietnam of more than \$340 million, about evenly divided between the two kinds of support. This is in addition to the \$700 million blank check supplemental we have voted earlier for the remainder of fiscal year 1965 in military aid. Included is the \$89 million southeast Asia contingency fund. Presumably this \$89 million is the first installment of the billion-dollar carrot offered by President Johnson in his Johns Hopkins speech this spring.

This sum would be merely the pump primer for a massive, multilateral aid effort.

Mr. President, it is inconceivable to me that we should even consider, let alone appropriate such huge sums for economic development when the military and political conditions in Vietnam are so unsettled. In spite of our efforts to the contrary, there is a possibility that South Vietnam will go under or become neutralized. There is a good possibility that all that our economic aid at the present time might accomplish would be to fatten up the goose for Communist takeover.

Now I am not for 1 minute suggesting that we abandon our military efforts in Vietnam or southeast Asia. Indeed, I favor taking whatever steps are necessary to rid the area of Communist influence. To be sure, we must express our willingness to help in all practical ways to build for a bright future free from foreign domination, but it hardly makes sense to pour in hundreds of millions of economic aid dollars when the political and military situations are so fraught with danger and uncertainty.

#### BALANCE OF PAYMENTS AND FOREIGN AID

To say that our gold stocks are being reduced at a rapid rate and are now at dangerously lower levels is perhaps an understatement of the present state of affairs of our balance-of-payments situation. The Nation's gold stocks have declined from \$24.6 billion in 1949 to a low of \$13.97 billion on August 31 of this year. This is a \$1 billion outflow in the last 6 months alone.

Of course, many factors are responsible for this deplorable situation. But one of the most important has been the nature and extent of our foreign aid

operations. Many of the nations that we were so generous in helping are now repaying us by helping themselves to our gold stocks. The most notable example is France. She has received close to \$10 billion in postwar U.S. aid. She has refused to honor her World War I debt to us of over \$6 billion and we have not pressed the claim. But now she is taking the lead in converting her dollar holdings into gold from our stocks.

We have heard in recent testimony by high administration witnesses that as much as 85 percent of new AID commitments are now tied to U.S. goods and services and therefore not adversely affecting our balance-of-payments situation. But there are several things wrong with that figure.

In the first place, it is based only on AID operations. What about the billions of other U.S. assistance in one form or another? That percentage does not necessarily apply, for example, to the programs of the Inter-American Development Bank, or the World Bank, or particularly the International Development Association. In some cases, it is impossible to tie these expenditures to U.S. goods and services.

This is particularly important when we realize that section 205 of the authorization act permits up to 20 percent of title I money for development lending to be made available for the use of the World Bank and its affiliates.

Finally, this claim that most foreign aid expenditures are earmarked for U.S. procurement is less than fully candid. During recent congressional hearings administration witnesses have conceded that many foreign aid projects are of a type involving primarily payments for local labor and materials in the country aided. In such cases, the dollars cannot be spent here, of course; they may be put in a special fund and supposedly used subsequently for the purchase of American goods.

Here is the catch in that arrangement. The foreign countries tend to buy with those aid dollars the products that they would have bought from this country anyway. In that way, other U.S. dollars they have are freed for use in paying for purchases from Europe or other sources.

It seems incredible that we should have to be considering proposals to penalize the American tourist abroad, and choke off worthwhile investments overseas by American business corporations, while we make virtually no effort to stanch the massive hemorrhage of our gold represented by this foreign aid program.

The diversion of our money into a multilateral lending program as provided for in the Authorization Act has other undesirable consequences also. Besides being freed from the tie to U.S. procurement, it would also be freed from the Hickenlooper amendment—section 620 (e)—for the protection of the U.S. investor abroad against expropriation. It would not be subject to policy directives as to restrictions on aid to Cuba. It would not be subject to other restrictions such as cargo preference. But most important, it would not be subject to congressional review.

An area in which the administration can help to relieve the balance-of-payments situation is in the use of the U.S.-owned foreign currencies, most of which were generated under the Public Law 480 program. As of the end of last year we held almost \$3 billion in so-called soft currencies. While there has been a feeble attempt to make these moneys available to U.S. tourists and others who may have a requirement for them, it has been a miserable failure so far, with only \$2 million being converted for use to date. Several Government Accounting Office recommendations have been made as to the possible use of these currencies. The Authorization Act incorporated some into law. It is my hope that these provisions will now be effectively carried out.

Mr. President, in conclusion, I want to state that while I will support sensible foreign aid programs that advance U.S. foreign policy and commercial interests, I cannot in good conscience support this bill. Recently, a special commission established to study the role of private enterprise in foreign aid made its report. This report contains several recommendations, which, if effected, could have a significant impact on foreign aid programs. It is my hope these recommendations will be implemented.

Mr. PASTORE. Mr. President, I yield 5 minutes on the bill to the Senator from South Dakota.

#### DAC COUNTRIES INCREASING AID TO UNDERDEVELOPED NATIONS

Mr. McGOVERN. Mr. President, one of the principal aims of U.S. foreign policy in recent years has been to persuade other more prosperous countries to share more equitably in the task of providing assistance to the underdeveloped world.

Presidents Kennedy and Johnson have given strong support to this policy; Members of both Houses of the Congress, from both sides of the aisle, have been explicit in their belief that this country has been bearing a disproportionate share of the aid burden.

No one would argue that we should not have carried the full responsibility in the years following World War II. But our earlier job of rebuilding Western Europe and Japan has now been successfully completed. As we turn to the job of long-term assistance to the developing nations of Latin America, Asia, and Africa, the countries of Western Europe and Japan are joining with us. But they can and should do more, and we have been working toward that goal.

The progress that has been made has been obscured in the rush of events. It is ironic that amid a deadlock in the House-Senate conference on the foreign aid authorization bill and continuing argument about the program, so little attention was paid to a major success in the field of foreign aid—the ministerial meeting of the Development Assistance Committee—DAC—of the Organization for Economic Cooperation and Development—OECD—held in Paris on July 22-23, 1965.

A most encouraging sign was the increased participation by member nations. The level of attendance was



greater than ever before. Cabinet members were present from Britain, Germany, France, Japan, and the Netherlands. Mr. David Bell, the distinguished Administrator of AID, led the American delegation. Mr. George Woods, President of the World Bank, also attended along with high representatives of the International Monetary Fund and the Inter-American Development Bank.

Perhaps most significant of all was the fact that, in contrast to prior years, other DAC members and the World Bank—not the United States—led the discussion of important issues. This is heartening evidence of the increased interest and concern of other free world nations, and a sign that they are recognizing the United States cannot be expected to do the job alone.

However, the results of the meeting represent a signal success for U.S. policy.

#### SOFTER TERMS PLEDGE

A major goal of U.S. policy in recent years has been to induce other nations to provide more aid on softer terms; that is, at lower interest rates, with longer maturities and grace periods.

The United States, as reflected in the Development Loan Fund in 1957 and the Foreign Assistance Act of 1961, has long been a leader in this effort.

A recent study of the Agency for International Development on the subject of "Loan Terms, Debt Burden, and Development," restated the U.S. position with clear analysis and a wealth of factual information.

I have no doubt that this study has a strong impact on some of the decisions taken at the Paris meeting.

The meeting adopted two resolutions, both of which represent a wider application of policies which the United States has strongly advocated to DAC and has practiced in its foreign-aid program.

The first set a specific target for softening loan terms. The target set by the DAC is that 80 percent of each member's aid should be in the form of grants or of loans with at least 25 years' maturity, not over 3 percent interest rate, and an average grace period of 7 years. Softening of terms will be required of Britain, Germany, Japan, Italy, Austria, Portugal, and Canada. The United States and the remaining countries already meet the standards established by the resolution.

The resolution, if followed, can result in a major increase in net inflow of resources to the less-developed countries. It represents a vindication of congressional and executive branch policy, in asserting U.S. leadership in the field of aid by the example of our own soft terms on development loans, coupled with persuasion of others to bring down their own terms of assistance.

The meeting also was marked by announcements by several nations of concrete steps to soften terms and increase their levels of aid: the Netherlands announced that it was lowering interest rates; Britain repeated its recent announcement, and stated that, despite difficulties at home, it would not cut aid. France, which primarily extends grant-like assistance, has adopted a policy of extending aid beyond the franc zone.

Germany has agreed to soften its loan terms, while Japan is taking a strong interest in Asian development, promising to subscribe \$200 million to the capital of the Asian Development Bank. Canada has increased its aid levels and is providing assistance on very soft terms.

This is encouraging progress.

#### SELF-HELP CONDITIONS STRENGTHENED

The second resolution adopted at the DAC meeting carried forward a principle that has been an integral part of the U.S. aid program since enactment of the Foreign Assistance Act of 1961.

It called on the member nations to relate the level and composition of their assistance to the performance of the recipient countries. This means that other donor countries are pledged to follow the lead of the United States in measuring the self-help efforts of the recipient countries—in terms of how much of their money the recipients are putting up, the effectiveness with which a country is mobilizing its own economy, labor force, tax structure in support of development, and the encouragement which a country gives to private enterprise.

We have learned from our own experience that aid from the outside can only do a small part of the job. The real effort must come from the people and the government of the recipient nation. AID which is conditioned upon and related to what is done by the recipient is most effective—in fact, it is the only kind of aid that will succeed.

The DAC resolution thus marks a major step, by the donor nations, to increase the effectiveness and impact of their aid.

#### CONCERN OVER PROGRESS OF DEVELOPMENT— NEED FOR MORE AID

Mr. Woods, of the World Bank, the Ministers from Great Britain and the Netherlands, and the American Chairman of DAC, Dr. Willard Thorp, expressed great concern over the lagging growth rate of the developing countries at the midpoint in the U.N. decade of development. They underlined many serious problems such as declining export receipts, growing debt service liabilities, rising population, and need for greater self-help efforts. They expressed equal concern over the failure of total net official aid from the DAC countries—including the United States—to rise above a 4-year plateau of about \$6 billion per year. Mr. Woods stated his deep conviction that the present volume of aid was wholly inadequate. He expressed the World Bank's view that the developing countries are increasing their capacity to employ foreign resources effectively and could productively use \$3 to \$4 billion annually in aid above present levels between now and 1970.

Mr. Woods, in his address to the meeting on July 22, spelled out the problem and pointed out that the flow of assistance to the developing countries has actually been declining. He said:

The total net official flow of long-term capital from the DAC countries has remained at about the same level since 1961. This is despite a rise in GNP of the industrialized countries, over that period, at a rate of about 4 to 5 percent annually—in other words, by perhaps \$40 billion a year—with the result

that the constant amount of net official aid represents a declining percentage of the aid-givers' national income. Similarly, there has been no significant increase in the total annual net flow of public and private financial resources from the DAC countries to the developing world, a flow which has in recent years remained about \$9 billion. This amounts to about nine-tenths of 1 percent of the GNP of those countries. However, if receipts of profits, dividends and interest are taken into account, the annual net contribution to the developing countries by the DAC countries has been about \$6 billion, or about six-tenths of 1 percent of their GNP. And from the developing countries' standpoint, the level amount of assistance provided has represented a declining amount per capita—due to the increase in their populations by some 2 to 3 percent a year.

Mr. Woods also issued a stern warning to the more fortunate nations:

A preliminary Bank inquiry based, for each country, on the judgment of the Bank's country specialist and area economist, suggests that between now and 1970 the less-developed countries might productively use an additional \$3 to \$4 billion a year. I myself see little point in arguing about precise figures, since although analyses and estimates of the developing countries' needs for external capital are a necessary background for decision, in the end the amount of aid which will be made available will be determined by practical and political realities. What I want to make clear, however, is my deep conviction that the present level of finance is wholly inadequate, whether measured by the growth rate which the advanced countries say they are willing to facilitate or in terms of the amount of external capital which the developing countries have demonstrated they can use effectively. The whole order of magnitude of external capital flows to the developing countries wants changing. If, to achieve that, we need to change political climates—in the industrialized countries, to permit a much greater flow of official capital, and in the developing countries, to encourage a much greater private investment from abroad—then ways of doing so must be explored, must be agreed upon, and must be implemented.

The case cannot be stated more effectively. And I know of no man more qualified than the distinguished president of the World Bank who was formerly a leading figure in American finance.

These are not the words of a dreamer; these are the words of a tough analyst and practical businessman. I urge all my colleagues to read his thoughtful address.

In view of the importance of Mr. Woods' address to the DAC meeting, I ask unanimous consent that it be printed in full at the conclusion of my remarks, as well as a perceptive report of the meeting by Mr. Felix Belair, Jr., distinguished journalist of the New York Times.

THE PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

#### RESULT: MORE EQUITABLE SHARING, GREATER CHANCE OF SUCCESS

Mr. MCGOVERN. Mr. President, I hope that the news of our success can come to the attention of more Americans. For they would see that amid the controversy and, yes, even distortion about the subject of foreign aid, a great deal is being done. They would see that the United States has developed a coherent, effective policy—one that is gaining

greater support throughout the free world.

We have recognized the responsibilities of leadership in the field of foreign aid, as we have in so many areas of international affairs. We have developed an intelligent policy, one that is showing results.

But at the root of this policy is a recognition that other more fortunate nations must join with us; and that these nations must shape their own aid programs on the basis of sound development of principles such as softer terms and self-help.

Although little noted at the time, the recent Ministerial Meeting of the Development Assistance Committee marked a major success for U.S. policy and a major step forward in the efforts of free men everywhere to offer, in the words of President Johnson:

Strength to those who would be free;  
Hope for those who would otherwise despair;  
Progress for those who would help themselves.

All Americans can be proud of our leadership and be encouraged by our success, as reflected in the recent meeting in Paris.

#### EXHIBIT 1

STATEMENT OF MR. GEORGE D. WOODS, PRESIDENT OF THE WORLD BANK GROUP, TO THE MINISTERIAL MEETING OF THE DEVELOPMENT ASSISTANCE COMMITTEE, PARIS, JULY 22, 1965

Mr. Chairman, I should like to join, enthusiastically, in the commendations which have been extended to the Chairman's report and which it so well deserves. The Chairman has lucidly, cogently and comprehensively reported on developments which are of keen interest to all those concerned with economic progress. I am sure that the document will be immensely useful not only as a record of the past year, but as a focus for the discussion of the very serious issues which face this meeting.

When I say that this meeting faces some very serious issues, I am not speaking lightly. For I firmly believe that unless the countries represented here take some bold decisions about the volume and character of development aid—and take those decisions soon—the climate of economic development, which by and large has been reasonably good, is going to change markedly for the worse. And by "decisions," I do not mean speeches or resolutions, I mean actions.

If we look around the world at what has happened recently, the record indicates that the GNP of the developing countries increased in 1963 and 1964 at about 4 to 5 percent, or perhaps 2 percent per capita. This growth was in large part achieved by reason of the rise, during 1963 and 1964, in the prices of the developing countries' exports—a useful reminder of the essential role which trade plays in the whole development business. Unfortunately, in the latter months of 1964, the prices of agricultural primary products began to weaken and in the case of some of these products—particularly cocoa, sugar, and coffee—the decline has been precipitous.

In some important individual countries, we can see some cheering examples of progress, often achieved in the face of serious obstacles, both economic and political. On the side of the aid givers, too, there have been some favorable developments over the past year. There has been evolving a healthy disposition to concentrate attention on those countries which have performed satisfactorily and which have been following sound economic, financial, and development policies. As the Chairman's report notes,

there appears now to be a greater readiness to coordinate aid, both its objectives and its terms, in the interest of increasing its impact. Although some of the established consortia and consultative groups have been more effective than others in achieving such coordination, on the whole I am convinced that these mechanisms can and will prove to be an instrument, enabling aid givers to assess the potential performance and needs of the recipient countries, to adapt the character and terms of aid to those countries' requirements, and to identify development priorities. As you know, the Bank has decided to step up substantially its own coordinating activities. We have in mind the organization of five or six new consultative groups within a matter of months and we have been in touch with a number of governments represented here to ascertain their willingness to join in these endeavors. We shall soon be sending to governments notification of our plan to convene a high-level meeting at the time of the Bank's annual meeting. We expect to set in train at that time the formation of new groups for those countries for which priority attention is appropriate. We also intend that the work of the consultative groups already organized by the Bank will be intensified.

So much for some of the highlights on the asset side of the ledger. It would not have been fair to paint a picture which ignored the significant progress which is being made on many fronts. But what I really want to emphasize here are the serious problems which confront those whose business is development finance.

Many of the less developed countries themselves have the power, if they have the will, to overcome particular difficulties or to change particular circumstances which slow down their economic growth—continuing political instability which forecloses effective development even with official funds, and completely discourages the flow of all-important private investments; excessive administrative or defense expenditures, which preempt already limited resources without contributing to economic growth; unrealistic exchange rates; and so on. Each of our could draw up the list.

But this is not the forum in which to concentrate on the deficiencies of the less-developed countries. We are considering here how to make our own performance, as aid givers, more effective. Since it is fashionable nowadays to talk of a "gap," let me use that term to describe a situation which seems to me of growing concern as we judge our performance. That is the variance, the very marked variance, between what the developed countries—the DAC countries, if you will—say about development and what they do about it. Unless that gap is narrowed and quickly narrowed, I believe that what lies ahead is an inevitable and a heart-breaking slowdown in economic development and even in international trade.

UNCTAD debates and resolutions are a rich source of official assurances that economic development is at the forefront of the advanced countries' political concerns, and of agreement in principle that they should provide enough assistance to enable the less-developed world gradually to achieve more satisfactory standards of living. These assurances of help to the developing countries for the realization of their development potential are always made, I know, in all sincerity. But if we look at the figures, we find that in fact aid is now on a plateau. The total net official flow of long-term capital from the DAC countries has remained at about the same level since 1961. This is despite a rise in gross national product of the industrialized countries, over that period, at a rate of about 4 to 5 percent annually—in other words, by perhaps \$40 billion a year—with the result that the constant amount of

net official aid represents a declining percentage of the aid givers' national income. Similarly, there has been no significant increase in the total annual net flow of public and private financial resources from the DAC countries to the developing world, a flow which has in recent years remained about \$9 billion. This amounts to about nine-tenths of 1 percent of the gross national product of those countries. However, if receipts of profits, dividends, and interest are taken into account, the annual net contribution to the developing countries by the DAC countries has been about \$6 billion, or about six-tenths of 1 percent of their gross national product. And from the developing countries' standpoint, the level amount of assistance provided has represented a declining amount per capita—due to the increase in their populations by some 2 to 3 percent a year.

While the amount of external finance has tended to remain static, the capacity of the developing countries to make productive use of resources has not. Despite differences in performance of individual countries, the absorptive capacity of the developing countries has been steadily expanding as their institutional structures become more firmly established, as education and skills become more widespread, as administrative and managerial abilities improve and as project preparation becomes more effective. While agreement is quite general, I believe, that absorptive capacity can be expected to continue its growth—and probably at a faster rate than has prevailed up to now—there are, as the Chairman's report notes, widely ranging estimates of the figures for external aid requirements into which that capacity should be translated. A preliminary Bank inquiry based, for each country, on the judgment of the Bank's country specialists and area economists, suggests that between now and 1970 the less-developed countries might productively use an additional \$3 to \$4 billion a year.

I myself see little point in arguing about precise figures, since although analyses and estimates of the developing countries' needs for external capital are a necessary background for decision, in the end the amount of aid which will be made available will be determined by practical and political realities. What I want to make clear, however, is my deep conviction that the present level of finance is wholly inadequate, whether measured by the growth rate which the advanced countries say they are willing to facilitate or in terms of the amount of external capital which the developing countries have demonstrated they can use effectively. The whole order of magnitude of external capital flows to the developing countries wants changing. If, to achieve that, we need to change political climates—in the industrialized countries, to permit a much greater flow of official capital, and in the developing countries, to encourage a much greater flow of private investment from abroad—then ways of doing so must be explored, must be agreed upon, and must be implemented.

I suggest, in addition, the desirability of a new perspective on the part of donor countries. The less developed countries are urged to plan their development for a reasonable period ahead. Since every development program necessarily assumes some measure of finance from abroad, the realism of a national development plan would be greatly enhanced, and therefore the likelihood of its achievement greatly facilitated, if the country in question could formulate its program with some broad notion of the amount of finance which might be extended over the plan period. This would require the donor countries themselves to take a long-term view, agreeing for planning purposes on assistance targets over perhaps a 3- or 5-year period, for at least those developing countries which are recipients of major amounts of



aid. These targets would, of course, not be firm or irrevocable commitments. Not only would they be subject, on the part of the donors, to yearly legislative authorization, but the availability of the amounts projected would in every case depend upon convincing demonstration, in annual reviews, that the recipient country's economic performance had been satisfactory.

Orderly development would be immensely facilitated, too, if the developing countries could have some measure of assurance that their development programs will not be disrupted by sharp declines in export earnings due to unpredictable fluctuations in commodity prices. We are studying what contribution the Bank and IDA might make in this connection pursuant to the UNCTAD resolution on the United Kingdom/Swedish proposal for supplementary financing, and I hope we may have some proposals to put forward on this matter this fall.

Let me turn now to the question of the terms of aid—a problem, as the Chairman's report notes, which is inseparably linked to the magnitude of aid. While the capacity to use foreign capital has been growing and will continue to grow, the ability of many developing countries to service additional external debt on conventional terms is declining. You are all familiar with the relevant data, but they bear repeating.

Present total external public debt—long and short term—of the developing countries as a group, is estimated at about \$33 billion, and amortization and interest payments on this debt may be as high as \$3.5 billion a year. This debt amounts to about 15 percent of the combined GNP of the developing countries. Service charges on it have been rising by more than 10 percent per year, despite a few important rescheduling operations, and they now amount to about 12 percent of the developing countries' total export earnings. These levels of debt service are dangerously high. They mean that a good deal of the proceeds of new loans must be devoted to servicing previously contracted obligations, rather than being invested in new productive development. Indeed, when all service and dividend payments on both public debt and private investment are taken into account, the backflow from the developing countries offsets about half the entire gross capital inflow which these countries receive from all sources.

Notwithstanding these facts and despite the general recognition of the importance of relating aid to the circumstances of recipient countries, there has been overall only a modest improvement in the terms of aid. A recent study by the U.S. Government has, indeed, noted that there has been a steady hardening of the terms of U.S. assistance—a shift in emphasis from grants to loans and from loans repayable in local currency to loans repayable in dollars, together with an increase in the minimum interest rate on dollar-repayable loans. Other aid-giving countries, which previously offered aid on terms much harder than those of the United States, have softened those terms somewhat, but not yet sufficiently—on average, they do not yet approach even the hardened U.S. terms. The problem of aid-tying, as the report of the Chairman notes, remains a serious and a difficult one. As we all know, the harder the terms of lending, the larger will be the amount of gross capital transfers necessary to assure a given net transfer of resources, and the longer it will take for the developing world to be assured of the gradual but steady growth which the DAC members have in principle undertaken to assist. The recent announcement of the United Kingdom that it will make long-term development loans free of interest or management charges to selected developing countries reflects a commendably long-range view, all the more to be applauded because it has been taken by a country which is itself con-

fronted by difficult and pressing problems in its own economy. We can only hope that this policy will prove a lodestar for other countries.

If the considerations I have mentioned are taken together—the leveling-off of aid notwithstanding the increasing absorptive capacity of recipient countries, the tendency toward a hardening of aid terms notwithstanding the increasing magnitude of the debt burden—and if they are viewed against the background of a certain boredom, at the least, and disillusionment, at the worst, with the subject of development finance in most of the countries represented here, you can see why I am so concerned about the prospects for economic development. You can see, too, why I consider it so urgent that the governments represented at this meeting should take a firm decision to reverse recent trends, not only by very substantially increasing the amount of their aid but also, and importantly, by making an even larger proportion of it available on very easy terms.

This brings me logically and, I daresay, not unexpectedly, to a more parochial and institutional point. Governments have at hand a ready vehicle for avoiding the threatened slow-down of economic development and for moving in the direction of the objectives subscribed to at the 1964 UNCTAD Conference—I refer to the forthcoming IDA replenishment. The amount of that replenishment is of course a matter for the collective judgment of governments. But there is no doubt that there are useful, productive and high priority opportunities which would enable IDA to invest at a rate several times that permitted by the resources which have been available to it up to now.

There are a number of advantages to investing in development through IDA. It is devoted to encouraging countries to follow appropriate economic policies. Its credits are used to finance only those projects and programs which are soundly conceived and which can be efficiently executed. IDA's financing terms are concessionary, but no concessions are made in the project standards which it applies. Through IDA, the aid-giving countries can achieve their objectives—and here I quote from papers before this meeting—of "relating the financial terms and the appropriate mix of hard loans and soft loans or grants on a case-by-case basis to the circumstances of each underdeveloped country or group of countries, of seeking greater comparability among contributing countries in the terms and conditions of aid, and of achieving further overall softening of terms." The DAC countries have recognized the desirability of keeping the tying of bilateral aid to the minimum consistent with political and balance of payments considerations. Aid extended through IDA is freed of procurement restrictions—to the full extent of the amount contributed, automatically and, most important of all, by simultaneous and concerted action of all the contributing countries. IDA thus not only affords a means of making untied aid politically more palatable but it assures that the funds provided will buy the greatest amount of development.

In saying this, I recognize that I may not be wholly free of institutional bias, but I am convinced, after some years of experience, that it is development finance provided through multilateral channels and invested solely on the basis of economic considerations which proves in the long run most beneficial to developing and developed countries alike.

[From the New York Times, Aug. 4, 1965]

#### DONOR NATIONS SEEN SPURRING AID TO UNDERDEVELOPED LANDS (By Felix Belair, Jr.)

WASHINGTON, August 3.—A major advance that may reverse the present slowdown in economic development aid to underdeveloped areas was observed by officials today in sev-

eral little-noted decisions of the 14 leading donor nations.

Resolutions adopted by the Development Assistance Committee of the Organization of Economic Cooperation and Development pledged member countries to provide at least 1 percent of their national incomes for development grants and loans.

Terms and conditions would be more lenient than a majority of them now provide for such assistance.

In addition to working toward increased aid, the committee established late last month as a goal, to be realized in 3 years, that 80 percent of all government aid should be provided as grants or as loans maturing in 25 years or more.

The loans would bear interest at 3 percent or less and would have an interest-free grace period of at least 7 years.

#### ADDITIONAL \$1 BILLION AVAILABLE

Foreign aid officials said the easier average terms, if applied to the present level of aid to the non-Communist world, would make an additional \$1 billion for development financing.

The action followed a warning by George D. Woods, president of the World Bank, to the ministerial delegates that underdeveloped countries could "productively use" from \$3 to \$4 billion a year more than the \$6 billion now being provided by donor governments.

Unless a major part of this existing gap is abridged and on "very easy terms," Mr. Woods said, "I believe that what lies ahead is an inevitable and a heartbreaking slow-down in economic development and even in international trade."

U.S. participants regarded Mr. Wood's talk as the strongest speech ever delivered on the subject by the head of an international institution.

Mr. Woods observed that while the committee members had long since adopted the goal of 1 percent of gross national product in development aid, their long-term capital contributions had remained constant at about \$6 billion since 1961.

This plateau of official aid had prevailed, he said, despite a rise in the gross national product of industrialized countries of 4 to 5 percent annually, or about \$40 billion a year—"with the result that the constant amount of net official aid represents a declining percentage of the aid-givers' national income."

#### FLOW OF RESOURCES STATIC

"Neither had there been any significant increase in the total annual net flow of public and private financial resources from the D.A.C. [Development Assistance Committee] country to the developing world, a flow which has in recent years remained about \$9 billion," Mr. Woods went on.

"This amounts to about nine-tenths of 1 percent of the G.N.P. (gross national product) of those countries," he continued. "However, if receipts of profits, dividends and interest are taken into account, the amount net contribution to the developing countries by the DAC countries has been about \$6 billion, or about six-tenths of 1 percent of their GNP."

"And from the developing countries' standpoint, the level amount of assistance provided has represented a declining amount per capita—due to the increase in their populations by some 2 to 3 percent a year," he noted.

To hammer home the need for a larger volume of economic aid, Mr. Woods asserted that developing countries as a group now had a total external public debt—long- and short-term—of about \$33 billion, on which amortization and interest payments ran as much as \$3.5 billion a year.

#### SERVICE CHARGES RISING

This was about 15 percent of the combined gross product of the developing countries.

Service charges on it had been rising by more than 10 percent a year and were now about 12 percent of the export earnings of the developing countries.

"These levels of debt service are dangerously high," said Mr. Woods. "They mean that a good deal of the proceeds of new loans must be devoted to servicing previously contracted obligation, rather than being invested in new productive development."

"Indeed, when all service and dividend payments on both public debt and private investment are taken into account, the backflow from the developing countries offsets about half the entire gross capital inflow which these countries receive from all sources."

Despite Mr. Woods' dismal portrayal, U.S. officials found encouragement in the fact that the international body was able to take decisions at the ministerial level on new and higher goals for the development effort.

#### FURTHER REVISION SEEN

The resolution contemplates a further upward revision of goals after 3 years in the light of progress made by that time. The more liberal terms and conditions to which member countries pledged their support at the Paris meeting will have little effect on the United States effort in aiding developing countries. Minimum terms provided by the Agency for International Development include 40-year maturities, a 2½ percent interest rate and a 10-year grace period at 1 percent.

Thus the United States is well within the DAC target. Some member countries provide easier terms and some much harder than those now proposed. The weighted average terms for all DAC members excluding the United States include 16 years maturity, 4.8 percent interest and a 3-year grace period.

Within that weighted average, however, Germany's development loans have an average maturity of 18.1 years, a 3.9 percent interest rate and a grace period of 4.5 years. Italy requires an average maturity of 9.5 years and an interest rate of 4.77 percent. Japan provides an average maturity of 9.7 years and interest rate of 5.9 percent.

All three countries told the Paris meeting that the more liberal terms posed serious difficulties for them, but they voted for the resolution. Japan said its acceptance of the more liberal terms would mean a reduced volume of development lending and was advised that this would be preferable to its present terms.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. COTTON. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass? The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT (when his name was called). Present.

Mr. MORTON (when his name was called). Present.

The rollcall was concluded.

Mr. DIRKSEN. Mr. President, I heard the clerk announce that two Senators had voted "present," whoever they are.

The VICE PRESIDENT. The Senator is correct.

Mr. DIRKSEN. I am not aware that there is a rule of the Senate under which a vote of "present" can be cast.

The VICE PRESIDENT. The Senator's point refers to rule XII of the Standing Rules of the Senate, which the Chair will read:

When the yeas and nays are ordered, the names of Senators shall be called alphabetically; and each Senator shall, without debate, declare his assent or dissent to the question, unless excused by the Senate; and no Senator shall be permitted to vote after the decision shall have been announced by the Presiding Officer, but may for sufficient reasons, with unanimous consent, change or withdraw his vote.

The other portion of the rule which applies in the circumstances states:

When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefor, and having assigned them, the Presiding Officer shall submit the question to the Senate: "Shall the Senator for the reasons assigned by him, be excused from voting?" which shall be decided without debate; and these proceedings shall be had after the rollcall and before the result is announced; and any further proceedings in reference thereto shall be after such announcement.

I believe those are the provisions of the rule which apply to the Senator's inquiry.

Mr. DIRKSEN. I must assert, on the basis of the rule, that unless a Senator is excused, he is required to vote; and that the Senate cannot entertain a vote of "present" without an excuse.

The VICE PRESIDENT. The rule would so provide, unless a Senator wishes to assign reasons for his unwillingness to assent or dissent; then the Senate will have to vote as to whether or not to excuse the Senator from his responsibility of voting.

Mr. DIRKSEN. I raise the question only in the interest of the integrity of the rules of the Senate.

The VICE PRESIDENT. The Senator's question is well raised. The rule is that a Senator must either vote "yea" or "nay" or ask to be excused from voting. To be excused he must assign reasons, and the Senate must vote on that question.

Mr. FULBRIGHT. Mr. President, I am prepared to state the reasons why I voted "present." After conferring with the Parliamentarian, I was informed that it was perfectly proper to vote "present" unless a Member of the Senate wished to raise a question; if not, my action would be accepted by the Senate. But the Senator from Illinois [Mr. DIRKSEN] has quite properly raised the question, and I am prepared to offer the reasons why I do not desire to vote.

Mr. RUSSELL of Georgia. Mr. President, is a motion in order that Senators may be permitted to vote "present"?

The VICE PRESIDENT. No; such a motion is not in order until such time as a Senator who seeks to vote "present" assigns his reasons; and then the question is, "Shall the Senator, for the rea-

sons assigned by him, be excused from voting?"

Mr. RUSSELL of Georgia. Does the Chair rule that a Senator is compelled to state his reason for not voting?

The VICE PRESIDENT. The rule so requires.

Mr. RUSSELL of Georgia. I was of the opinion that the Senate could, without prolonged discussion, permit a Senator to vote "present" if he desired to do so, and could grant that permission by a vote. I think there is a precedent for that in the passage of the original Social Security Act of 1935.

Mr. FULBRIGHT. Mr. President, I am prepared, within the course of 3 or 4 minutes, to state my reasons. The Senate may then vote. But it must vote without debate. As I understand, according to the rule, there can be no debate on the question.

The VICE PRESIDENT. The Senator is correct.

Mr. FULBRIGHT. I am prepared to state my reasons, if that is the order of the Chair.

The VICE PRESIDENT. The Senator may ask to be excused, and the Senate can reach its decision upon that request; or the Senator may assign his reasons.

Mr. MORTON. Mr. President, I am one of the two Senators who voted "present." I know that the Senate does not want to be delayed, so I ask that I be recorded as voting "nay."

Mr. FULBRIGHT. Mr. President, I ask to be excused from voting.

I have decided to vote "present" on the foreign assistance appropriation bill for fiscal year 1966. I do so not because of the provisions of the appropriation bill, although there are features of it which I think could be improved, but primarily because of the failure of the Congress this year to give the foreign aid program a new philosophy and direction.

Over the past year and longer I have made the best case I could for three major reforms in the foreign aid program. I have recommended; first, that the funds be authorized on a long-term basis so as to permit orderly economic planning in recipient countries; second, that economic and military assistance, which in fact are separate programs serving different purposes, be governed by both separate legislation and separate administration; third, and most important, that increasing amounts of U.S. development lending be channeled through such international bodies as the International Development Agency of the World Bank.

I have repeatedly stated my reasons for believing that an increasing portion of the U.S. development lending be administered by international agencies. The essence of the case for multilateralization is the need to put foreign aid on a more objective and businesslike basis. It is inherent and all but inevitable in aid programs that the relationship between donor and recipient will be marked by constant suspicion of irrelevant political pressures on the part of the recipient and a no less corrosive feeling on the part of the donor as to the ingratitude of



the recipient. The administration of aid by international agencies which have no interest except economic development can remove the destructive elements of suspicion, resentment, and anger from the programs by which the rich nations help the poor nations. I am confident that fewer libraries will be burned and embassies stoned if this change can be made.

I have not insisted that all of the three reforms which I have described be realized this year, but it did seem to me reasonable that some progress be made toward the realization of one or more of these changes. The Senate adopted an authorization measure providing for a 2-year authorization and granting the President authority to divert up to 15 percent of development loan funds to international agencies. This seemed to me a reasonable compromise representing modest progress toward reform of the program. After an extended deadlock for several weeks in conference, however, the Senate conferees were forced to yield to their colleagues from the other body who insisted on a single-year authorization. Also lost in conference was a very wise proposal, initiated by the Senator from Oregon, for a general review of the foreign aid program by a high-level, executive-legislative committee.

There remained the matter of the diversion of development lending funds to international agencies. This authority was disallowed in its entirety by the House appropriations bill as it has been disallowed in previous years. The Senate Appropriations Committee retained the authority but reduced it to 10 percent. I am indeed grateful to my colleagues on the Appropriations Committee for retaining this important provision, albeit at a reduced level. I shall be surprised if it is returned in conference with the other body.

We have thus reached the point where virtually all of the reforms I thought necessary have been abandoned at least for this year. I am hopeful that reasonable progress toward realizing them will be made next year, in which event I shall certainly reconsider my position on this legislation. This year, however, for lack of meaningful progress toward reform, I have decided to vote "present" on the foreign assistance appropriation.

The VICE PRESIDENT. Because this is a matter of import for the record of the Senate and as a precedent, the Chair wishes first to state the pertinent part of rule XII.

When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefor, and having assigned them, the Presiding Officer shall submit the question to the Senate: "Shall the Senator, for the reasons assigned by him, be excused from voting?" which shall be decided without debate—

In terms of the precedent relating to the question posed by the Senator from Georgia [Mr. RUSSELL], the Chair will read from "Senate Procedure," by Charles L. Watkins and Floyd Riddick, page 715, the chapter entitled "Voting," relating to the subject "Excused From

Voting." The fourth paragraph under that heading reads:

A motion to excuse Senators from voting is not in order, and a Senator not only has a right but is required to assign his reasons for not voting; but he must confine his statements to those reasons. The question of excusing him is decided by the Senate.

So the question before the Senate, without further debate, is: Shall the Senator, for the reasons assigned by him, be excused from voting? [Putting the question.] The Senator from Arkansas is excused from voting.

Mr. SMATHERS. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from New Hampshire [Mr. McINTYRE], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. McCARTHY], the Senator from Minnesota [Mr. MONDALE], the Senator from New Mexico [Mr. MONTOYA], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] was present but not voting. The Senator, for reasons stated by him, was excused by the Senate from voting.

I further announce that, if present and voting, the Senator from Louisiana [Mr. LONG] would vote "yea."

On this vote, the Senator from Minnesota [Mr. MONDALE] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from New Hampshire [Mr. McINTYRE] is paired with the Senator from Arizona [Mr. FANNIN]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from Arizona would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT] is absent on official business of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is absent on official business.

The Senator from New Jersey [Mr. CASE] is detained on official business.

On this vote, the Senator from New Jersey [Mr. CASE] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Massachusetts [Mr. SALTONSTALL] is paired with the Senator from Wyoming [Mr. SIMPSON]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Wyoming would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Minnesota [Mr. MONDALE]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Minnesota would vote "yea."

On this vote, the Senator from Arizona [Mr. FANNIN] is paired with the Senator from New Hampshire [Mr. McINTYRE]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from New Hampshire would vote "yea."

On the question, Shall the bill (H.R. 10871) pass? the yeas and nays resulted—yeas 59, nays 22, as follows:

[No. 274 Leg.]

YEAS—59

Alken	Harris	Metcalf
Allott	Hart	Miller
Bartlett	Hartke	Monroney
Bass	Hayden	Moss
Bayh	Hickenlooper	Mundt
Boggs	Hill	Muskie
Brewster	Holland	Nelson
Burdick	Inouye	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Javits	Prouty
Carlson	Kennedy, Mass.	Proxmire
Church	Kennedy, N.Y.	Randolph
Clark	Kuchel	Ribicoff
Cooper	Lausche	Smathers
Dirksen	Long, Mo.	Smith
Dodd	Magnuson	Tydings
Dominick	Mansfield	Williams, N.J.
Douglas	McGee	Yarborough
Fong	McGovern	Young, Ohio
Gruening	McNamara	

NAYS—22

Bible	Jordan, Idaho	Stennis
Byrd, Va.	McClellan	Symington
Cotton	Morse	Talmadge
Eastland	Morton	Thurmond
Ellender	Murphy	Williams, Del.
Ervin	Robertson	Young, N. Dak.
Hruska	Russell, S.C.	
Jordan, N.C.	Russell, Ga.	

PRESENT—1

Fulbright

NOT VOTING—18

Anderson	Long, La.	Pearson
Bennett	McCarthy	Saltonstall
Case	McIntyre	Scott
Curtis	Monroe	Simpson
Fannin	Montoya	Sparkman
Gore	Neuberger	Tower

So the bill (H.R. 10871) was passed.

Mr. PASTORE. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. PASTORE, Mr. HAYDEN, Mr. RUSSELL of Georgia, Mr. ELLENDER, Mr. MAGNUSON, Mr. HOLLAND, Mr. SALTONSTALL, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, it is not frequent that the foreign aid appropriation bill passes in this body in 1 day's

time. It is an important bill. It involves almost \$4 billion. It is vital to the existence of the free world.

Mr. President, it is a very high compliment, indeed, that this body has paid to the senior Senator from Rhode Island [Mr. PASTORE], the exceedingly skillful and knowledgeable manager of this bill, by decisively approving this bill today. It is a thoroughly well-deserved compliment to which I am proud to add an additional commendation in this short statement.

Everyone in this Senate realizes the complexity of the foreign aid appropriation bill, especially the military aid provisions; everyone knows that it can be no great pleasure for the Senator from Rhode Island to assume responsibility for management of the bill. But he does so without shirking. He merits the thanks of this entire body, indeed, the entire Nation, and I join in that vote of thanks.

But, Mr. President, this body thrives on differing views and debate thereon. We saw today a classic example of that debate. It is this factor which makes the acts of the Senate both sensible and deliberative. It is on this basis that we owe an equal vote of thanks to other Senators who proposed and pressed amendments or otherwise participated actively in debate. I refer, with special thanks and congratulations to the able senior Senator from Massachusetts [Mr. SALTONSTALL], the ranking Republican on the Appropriations Committee; to the ever able and articulate senior Senator from Oregon [Mr. MORSE], and the distinguished junior Senator from Alaska [Mr. GRUENING], who, although both harbored serious doubts about certain appropriations, cooperated fully in working on this measure; and to the senior Senator from Louisiana [Mr. ELLENDER] who, thankfully, keeps an especially careful eye on all appropriations.

Others who participated in the debate on this measure and who deserve an equal measure of thanks include the senior Senator from Missouri [Mr. SYMINGTON], the senior Senator from New York [Mr. JAVITS], the senior Senator from Idaho [Mr. CHURCH], the senior Senator from Pennsylvania [Mr. CLARK], the junior Senator from Oklahoma [Mr. HARRIS], and the senior Senator from Florida [Mr. HOLLAND].

It is encouraging to observe the Senate conduct its business in such an efficient and expeditious manner.

#### TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 2469. A bill amending sections 2 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a new sea level canal connecting the Atlantic and Pacific Oceans (Rept. No. 773).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 2434. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the lease of a portion of certain real property conveyed to the city of Clarinda, Iowa, for airport purposes (Rept. No. 772).

By Mr. SYMINGTON, from the Committee on Armed Services, without amendment:

H.R. 10516. An act authorizing the disposal of vegetable tannin extracts from the national stockpile (Rept. No. 778);

H.R. 10714. An act to authorize the disposal of colemanite from the supplemental stockpile (Rept. No. 777);

H.R. 10715. An act to authorize the disposal of chemical grade chromite from the supplemental stockpile (Rept. No. 776);

H.R. 10748. An act to authorize the transfer of copper from the national stockpile to the Bureau of the Mint (Rept. No. 775); and

H.J. Res. 330. Joint resolution to authorize the disposal of chromium metal, acid grade fluorspar, and silicon carbide from the supplemental stockpile (Rept. No. 774).

By Mr. SYMINGTON, from the Committee on Armed Services, with an amendment:

H.R. 6852. An act to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 47 million pounds of abaca from the national stockpile (Rept. No. 779).

By Mr. SYMINGTON, from the Committee on Armed Services, with amendments:

H.R. 10305. An act to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 124,200,000 pounds of nickel from the national stockpile (Rept. No. 780).

By Mr. RUSSELL of Georgia, from the Committee on Armed Services, with an amendment:

H.R. 7812. An act to authorize the loan of naval vessels to friendly foreign countries, and for other purposes (Rept. No. 781).

#### EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

U. Alexis Johnson, of California, a Foreign Service officer of the class of career Ambassador, to be a Deputy Under Secretary of State.

By Mr. JACKSON, from the Committee on Armed Services:

Robert A. Brooks, of Massachusetts, to be Assistant Secretary of the Army; and

John S. Foster, Jr., of California, to be Director of Defense Research and Engineering.

#### EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mrs. SMITH. Mr. President, from the Committee on Armed Services I report favorably the nominations of Vice Adm. Paul D. Stroop, for appointment to the grade of vice admiral on the retired list, and Lt. Comdr. Charles Conrad, Jr., for permanent appointment to the grade of commander. I ask that these names be printed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, placed on the Executive Calendar, are as follows:

Vice Adm. Paul D. Stroop, U.S. Navy, when retired, for appointment to the grade of vice admiral; and

Lt. Comdr. Charles Conrad, Jr., U.S. Navy, for permanent appointment to the grade of commander in the Navy.

Mrs. SMITH. Mr. President, in addition I report favorably 4,680 promotions in the Navy in the grade of captain and below, and 8 promotions in the Marine Corps in the grade of second lieutenant. Since these names have already appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Lynn "W" Adams, and sundry other officers, for promotion in the U.S. Navy;

Kenneth A. Gaines, and sundry other Naval Reserve officers, for assignment in the U.S. Navy;

Glen W. Poore (U.S. Navy retired officer), to be a permanent lieutenant in the line of the Navy, limited duty only;

George A. Danchuck, Jr., and sundry other candidates, for permanent assignment in the Navy;

George R. Fitzgerald, and John C. Maynard (Naval Reserve Officers Training Corps), for permanent assignment in the Marine Corps; and

Ronald L. Czarnecki, and sundry other meritorious noncommissioned officers, for permanent appointment in the Marine Corps.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSS:

S. 2560. A bill for the relief of Dr. Ralph R. Stevenson; to the Committee on the Judiciary.

By Mr. ROBERTSON (by request):

S. 2561. A bill to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to strengthen safeguards against conflicts of interest, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. ROBERTSON when he introduced the above bill, which appear under a separate heading.)

#### FEDERAL DEPOSIT AND SHARE ACCOUNT INSURANCE ACT OF 1966

Mr. ROBERTSON. Mr. President, I introduce, at the request of the Secretary of the Treasury, a bill to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, and for other purposes, the proposed Federal Deposit and Share Account Insurance Act of 1966. This is a major bill which the affected industries will wish to study with great care and attention. In order to give a full explanation of the bill to these industries and to the public, I ask unanimous consent that the transmittal letter



from the Secretary of the Treasury and the Treasury Department's section-by-section analysis of the bill be printed in the *Record* at this point.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter and analysis will be printed in the *Record*.

The bill (S. 2561) to provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to strengthen safeguards against conflicts of interest, and for other purposes, introduced by Mr. ROBERTSON, by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter and analysis presented by Mr. ROBERTSON are as follows:

THE SECRETARY OF THE TREASURY,  
Washington.

HON. HUBERT H. HUMPHREY,  
President of the Senate,  
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, "To provide for an increase in the maximum amount of insurance coverage for bank deposits and savings and loan accounts, to protect further the safety and liquidity of insured institutions, to safeguard against conflicts of interest, and for other purposes." The proposed legislation is similar to a draft bill submitted by this Department to the 88th Congress and introduced as S. 1799. Changes have been made, however, incorporating the results of 2 years additional study and consideration by the concerned agencies. Because the bill is complex and the Congress may wish to give it extensive consideration, I am transmitting it now in the hope that this will afford time for favorable consideration by the current Congress.

The proposed legislation is designed to accomplish two interrelated objectives. First, the maximum insurance coverage for deposit accounts in a commercial or savings bank insured by the Federal Deposit Insurance Corporation, and for share accounts with a savings and loan association insured by the Federal Savings and Loan Insurance Corporation, would be raised from \$10,000 to \$15,000. At the same time, a number of steps would be taken to protect further the safety and liquidity of those financial institutions whose ability to attract funds from the public would be enhanced by the increase in deposit and share insurance coverage, thus buttressing the stability of the financial system as a whole. These objectives are fully supported by the conclusions of the Committee on Financial Institutions, which reported to the President on April 9, 1963.

The proposed bill recognizes that deposit and share insurance performs an important role in our financial system, and that increases in the maximum limit for insurance coverage of individual accounts are justified from time to time to assure that the basic purposes of this insurance will continue to be served effectively. These purposes include the preservation of public confidence in those financial institutions responsible for maintaining the bulk of our money supply and for handling most of the liquid savings of our citizens, and particularly in their ability to discharge their responsibility for providing cash to account holders fully and promptly.

Without adequate deposit and share insurance, the failure of even a single institution potentially can seriously disrupt the economy of community and bring individual hardship. Moreover, there would also be a

danger that failure, or even the suspicion of failure of one institution might set off contagious and disruptive runs which even fundamentally sound institutions could not readily withstand. Another purpose of deposit and share insurance is to provide families and individuals of moderate means, frequently unable themselves to appraise accurately the soundness of available outlets for their funds, with an opportunity for fully and conveniently protecting their savings.

Clearly, these purposes can be met with full effectiveness only if the maximum limits of deposit and share insurance are high enough to provide full protection for the bulk of all accounts and for a large share of the total liabilities or share capital of the institutions concerned. While judgments may reasonably differ on the precise proportion of accounts and total funds that must be covered to assure an effective insurance program, it seems clear that prudent limits in this respect are not in danger of being breached today. But, it is also clear that maintenance of appropriate relationships may require increases in coverage from time to time in response to such factors as significantly higher price levels or increases in average income or wealth, changes in average deposit or share account balances, and similar factors; and these increases should be made before any critical problem becomes evident. A limit of \$15,000 will be ample to take account of any changes in these factors since the insurance limit was last raised from \$5,000 to \$10,000 in 1950, and will assure maintenance of a level of protection over the foreseeable future clearly adequate by standards of past experience and practice.

However, because of a number of recent events, we are also particularly conscious of the need to introduce measures to strengthen the supervisory framework. These measures are desirable in themselves and would provide needed protection against certain possible dangers associated with an increase in insurance coverage. In particular, pressures to maximize the immediate returns that can be offered to customers, at the expense of liquidity and safety, might be increased by an increase in insurance ceilings since potential large depositors and account holders would then have less incentive for carefully appraising the safety, stability, and investment practices of the institution holding their funds.

The Committee on Financial Institutions urged, and we strongly believe for the preceding reasons, that increases in insurance coverage be considered jointly with complementary action to strengthen the supervisory framework within which these institutions operate, and to enable the responsible Federal authorities to oversee more effectively certain practices with important implications for the safety and liquidity of financial institutions. To this end, the bill would provide additional safeguards in three broad areas:

(a) Added authority would be provided the Federal Home Loan Bank Board to assure maintenance of liquidity by member and insured institutions in amounts and forms appropriate to assure their soundness and to meet the specific circumstances of that industry. Changes from existing authority are designed to remedy a number of inadequacies in present law that limit its effectiveness. The Board would, under the terms of the bill, be able to define more precisely and fully the kinds of liquidity instruments eligible for fulfilling the specified general liquidity requirement; the accounting and enforcement provisions would be substantially improved; the upper limit of the general liquidity requirement would be set at 10 percent instead of the 8-percent limit for the analogous provision in current law; and this general liquidity requirement, ranging at the discretion of the Board from 4 to

10 percent, would be applied to the total of withdrawable accounts and borrowings rather than to withdrawable accounts alone.

In addition, the Board would be permitted to impose an additional special liquidity requirement on any member or members if required, on the basis of specified criteria, to protect further the safety of such member or members. Thus, the Board would be provided with explicit supplementary powers of a kind that have, in practice, long been exercised in the banking industry on the basis of established traditions and supervisory authority. In no case, however, could such special liquidity requirement, in combination with the general requirement applicable to members generally, exceed 15 percent of withdrawable accounts and borrowings.

(b) The current authority of the Federal Reserve with respect to establishing ceilings on payment of interest on time and savings accounts of Federal Reserve member banks, and of the Federal Deposit Insurance Corporation with respect to insured nonmember commercial and savings banks, would be placed on a standby basis. This is consistent with the conclusion of the Committee on Financial Institutions that continuous regulation of rates paid by commercial banks, as practiced since the mid-1930's, is no longer necessary or desirable. However, current regulations of the Federal Reserve and the FDIC would remain in effect until modified or removed by the agencies.

Similar standby authority would be provided to the Federal Home Loan Bank Board for establishing ceilings over the rates of interest or dividends that may be paid by members of the Federal Home Loan Bank System (other than those insured by the Federal Deposit Insurance Corporation). This would provide protection against the possibility that, at some point, unsound banking practices in that industry could arise and so erode lending standards as to undermine the safety and stability of the effected institutions.

In each case, it is contemplated that the standby authority provided will be exercised only when the authorities determine that such ceilings are required by general credit conditions or to prevent unsound banking practices in bidding for funds. In view of the need for awareness of the possible implications of such ceilings for general credit flows and for competitive relationships among financial institutions, an agency would impose limits only after consultation with the other agencies with responsibilities for comparable controls and the Comptroller of the Currency. The authority would, of course, be available for use in time of emergency conditions.

(c) New safeguards would be provided against possible conflicts of interest of directors and officers of insured nonmember banks similar to those now in force for member banks, broadened to include substantial stockholders of both member and nonmember banks; the discretionary regulatory powers of the supervisory authorities with respect to conflict of interest situations for both member and nonmember banks would be further strengthened; and roughly analogous safeguards would be instituted for member and insured savings and loan associations, tailored to the special conditions of that industry. The proposed safeguards for member and insured savings and loan associations are, insofar as criminal penalties are not involved, modeled in large part on regulations now applicable only to Federally chartered savings and loan associations. Existing provisions in the criminal code applicable to member and insured nonmember banks, as well as to a number of other credit agencies operating under U.S. laws, would be extended to include member or insured savings and loans.

In addition, existing limits on loans to officers of the member banks or to bank examiners would be liberalized in certain instances where current provisions are unduly restrictive and where dangers of abuse appear limited or nonexistent. The definition of bank affiliates would be tightened for purposes of limitations on loans to such affiliates, and restrictions on transactions with affiliates now applicable only to member banks would be extended to all insured banks.

The provisions of the proposed bill are summarized more fully in the attached section-by-section analysis of its provisions. In addition to the substantive areas covered above a number of technical changes are included that would bring affected existing legislation up to date, and in certain other respects ambiguities or deficiencies in existing law are remedied.

It would be appreciated if you would lay the proposed bill before the Senate. An identical bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that enactment of the draft bill would be consistent with the administration's objectives.

Sincerely yours,

HENRY H. FOWLER.

#### SECTION-BY-SECTION ANALYSIS OF THE PROPOSED "FEDERAL DEPOSIT AND SHARE ACCOUNT INSURANCE ACT OF 1966"

Section 1 would entitle the bill the "Federal Deposit and Share Account Insurance Act of 1966."

##### COVERAGE OF INSURANCE

Sections 2 and 3 would increase from \$10,000 to \$15,000 the maximum amounts of insurance coverage per deposit or share account provided by the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation.

Section 2 would also provide that in the case of a bank closing prior to September 21, 1950, the maximum amount of the insured deposit of any depositor shall be \$5,000, and in the case of a bank closing on or after September 21, 1950, and prior to the effective date of the proposed legislation, the maximum amount of the insured deposit of any depositor shall be \$10,000.

Section 3 would provide that the higher coverage for Federal savings and loan insurance shall not be applicable to certain claims arising from default prior to the effective date of the bill.

##### INTEREST AND DIVIDEND RATES

Sections 4 and 5 would change from a mandatory to a standby basis the authority of the Board of Governors of the Federal Reserve System to limit the rates of interest that may be paid by member banks on time and savings deposits and the authority of the Board of Directors of the Federal Deposit Insurance Corporation to limit the rates of interest or dividends which may be paid by insured nonmember banks (including insured mutual savings banks) on time and savings deposits. The authority could be invoked if required by general credit conditions or to prevent unsound banking practices. However, current regulations would remain effective until modified or rescinded by the Federal Reserve Board or the Federal Deposit Insurance Corporation. Such sections further provide for the exercise by the Board of Governors of its limiting authority after consultation with the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Federal Home Loan Bank Board and the exercise by the Board of Directors of the Federal Deposit Insurance Corporation of its limiting authority after consultation with the Federal Reserve Board, the Comptroller of the Currency, and the Federal Home Loan

Bank Board. However, foreign official deposits, which presently are exempted from limitation until 1968, would not be subject to this standby authority until expiration of this existing exemption. Any limitations on interest rates established under these sections could differ for different classes of deposits or banks on various bases, including the location of the depositors.

Section 6 would grant standby authority to the Federal Home Loan Bank Board, after consultation with the Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, to limit the rates of interest or dividends which may be paid by members of any Federal home loan bank (other than those insured by the Federal Deposit Insurance Corporation), and by institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. The criteria for invoking such authority would be the same as for the Federal Reserve Board and Federal Deposit Insurance Corporation. There is no existing statutory authority in the Federal Home Loan Bank Board to limit the rates of such interest or dividends.

##### LIQUIDITY REQUIREMENTS

Section 7 would revise and improve the present liquidity requirement for institutions which are members of a Federal home loan bank or the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. The present general liquidity requirement of 4 to 8 percent in cash and obligations of the United States of a member's obligations on withdrawable accounts would be replaced by a general liquidity requirement of not less than 4 percent nor more than 10 percent of a member's obligations on withdrawable accounts and borrowings. The Federal Home Loan Bank Board is also accorded clearer and broader authority to specify the proportion of cash and the type and maturity of obligations eligible for meeting the general requirement. The accounting and enforcement provisions are improved and made more explicit.

In addition, the Board is authorized to impose a special liquidity requirement on an institution or group of institutions if, in the Board's opinion, the asset composition or quality, the structure of the liabilities and withdrawable accounts, or the ratio of nonwithdrawable capital, surplus and reserves to withdrawable accounts of the institution or institutions, requires a further limitation of risk to protect the safety and soundness of the institution or institutions. The total of the general and special liquidity requirements could not exceed 15 percent of withdrawable accounts and borrowings. Thus, the Board would be provided with explicit supplementary powers of a kind that have, in practice, long been exercised in the banking industry on the basis of established tradition and supervisory authority.

The provisions of section 7 would continue the present authority accorded to the Federal Home Loan Bank Board by section 5A of the Federal Home Loan Bank Act over mutual savings banks which become members of a Federal home loan bank. Similarly, the Federal Deposit Insurance Corporation, for those mutual savings banks insured by it, would continue to be the primary authority in the examination, supervision, or regulation of any such bank, and nothing in this bill is intended to affect or alter this situation.

##### RESERVES AND DIVIDENDS OF FEDERAL HOME LOAN BANKS

Section 8 would amend the present law relating to the reserves and dividends of each Federal home loan bank so as to limit dividends to not more than 6 percent per annum on paid-in capital. It is the intent of this section that the excess net earnings of a Federal home loan bank, after its reserves have reached 100 percent of paid-in capital

and all allocations and chargeoffs required by the Board have been provided for and all dividend claims have been fully met, should be paid into the Treasury of the United States.

##### CONFLICTS OF INTEREST

Section 9 would extend comparable statutory noncriminal conflict of interest and related restraints now applicable to member banks, and as strengthened by section 10, to insured nonmember banks, subject to supervision and regulation by the Federal Deposit Insurance Corporation. (Conflict of interest restraints for insured nonmember banks are now effectuated by administrative action of the Federal Deposit Insurance Corporation.) The statutory restraints provided pertain to specified transactions between insured nonmember banks and their directors, officers, employees, attorneys, or affiliates, including the purchase or sale of securities or other property, loans or extensions of credit and investments, and preclude, except in limited classes of cases allowed by the Federal Deposit Insurance Corporation, certain persons primarily engaged in the sale or distribution of securities from serving at the same time as officers, directors, or employees of such banks. In addition to the specific statutory prohibitions, the Federal Deposit Insurance Corporation would also be authorized to establish rules and regulations at their discretion (1) to assure that directors and officers do not participate in transactions that would result in a conflict of their personal interest with those of the bank they serve, and (2) to require the disclosure of potential conflicts of interest by substantial stockholders as well as by directors and officers. Such section, however, would permit a nonmember insured bank to extend credit to any executive officer thereof in an amount not exceeding \$5,000 or, \$30,000 in the case of a first mortgage loan on a home owned and occupied or to be owned and occupied by such officer, provided that the terms of any such loan are not more favorable than those extended to other borrowers.

Section 9(c) of the bill adds a new section 20 to the Federal Deposit Insurance Act dealing with transactions with affiliates. The term "affiliate," with respect to any insured State nonmember bank is defined so as to include any organization that would be an affiliate or holding company affiliate of such bank under section 2 of the Banking Act of 1933, even though such bank is not a member bank to which the definition in the Banking Act of 1933 is limited.

Section 10 would strengthen the noncriminal conflict of interest restraints with respect to transactions between National and State member banks and their directors, officers and affiliates subject to supervision and regulation by the Comptroller of the Currency and the Federal Reserve Board, respectively, principally by adding a paragraph permitting the relevant supervisory authority to establish rules, and regulations supplementing specific present statutory prohibitions, at their discretion, in conflict of interest situations. This authority corresponds to that vested in the Federal Deposit Insurance Corporation with respect to member banks. Limitations on loans by member banks to their affiliates would be tightened in certain respects and for this purpose the definition of affiliates would be broadened. (Similar limitations would be made applicable to nonmember insured banks under provisions of section 9.) Such section, however, would increase from \$2,500 to \$5,000 the amount of credit that could be extended by a member bank to any executive officer and permit a first mortgage loan from a member bank to any executive officer on a home owned and occupied or to be owned and occupied by such officer in an amount not to exceed \$30,000, provided that the terms of such loan are not more favorable than those extended to other borrowers.



Section 10 also provides exemptions with respect to limitations on investments that member banks may make in their affiliates. (Sec. 9 would provide like exemptions for insured State nonmember banks.)

Section 11 would provide for noncriminal conflict of interest restraints with respect to transactions between institutions which are members of any Federal home loan bank (other than those insured by the Federal Deposit Insurance Corporation) or institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation and officers, directors, or attorneys of such institutions. Prohibited transactions would include the making or purchase of any loans, and the purchase or sale of securities or other property, between the institution and any such party, or any partnership or trust in which they have any interest, or any corporation in which any such party owns, controls, or holds with power to vote more than 15 percent of the outstanding voting securities, or in which all such parties own, control, or hold with power to vote more than 25 percent of the outstanding voting securities. An institution would be permitted to make loans on the security of a first lien on a home owned and occupied by a director, officer, or attorney of the institution, in such amount as may be permitted by regulation of the Board, and to make other loans of a type that it may lawfully make to any such party, in an aggregate amount not exceeding \$5,000, provided that the terms of any such loans are not more favorable than those extended to other borrowers.

Section 11 would incorporate into law applying to the above member and insured associations much of the substance of current conflict of interest regulations governing Federal savings and loan associations, and it is also roughly analogous to the noncriminal conflict of interest provisions which sections 9 and 10 would extend to member and nonmember banks. In addition to the restraints specified in this section, the Federal Home Loan Bank Board is extended the right to establish rules and regulations to assure that directors and officers do not participate in transactions that would result in a conflict of their own personal interests with those of the institution which they serve.

Section 12 would extend to examiners appointed by the Federal Home Loan Bank Board the same requirements, responsibilities, and penalties as are applicable to examiners under the National Bank Act and the Federal Reserve Act. Subject to such limitations as the Federal Home Loan Bank Board may prescribe, they would have in the exercise of their functions the same powers and privileges as are vested by law in such examiners.

Section 13 would make certain criminal provisions relating to conflict of interest now applicable to insured banks also applicable to officers, directors or employees of institutions which are members of any Federal home loan bank or the accounts of which are insured by the Federal Savings and Loan Insurance Corporation and to examiners appointed by the Federal Home Loan Bank Board. This section would permit public examiners to obtain home loans from insured institutions, but would explicitly prohibit participation by an examiner in any examination of an institution with which he has an outstanding loan.

#### THE CALENDAR

On request of Mr. MANSFIELD, and by unanimous consent, the following Calendar measures, starting with Calendar No. 748, were considered and acted upon as indicated:

The bill (H.R. 8035) to authorize the Secretary of the Interior to accept a

donation of property in the County of Suffolk, N.Y., for addition to the Fire Island National Seashore was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 763), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

#### PURPOSE

The purpose of H.R. 8035 is to authorize the Secretary of the Interior to accept two donations of land totaling 611 acres in Suffolk County, N.Y., and to administer this land as a detached portion of the Fire Island National Seashore, the establishment of which was provided for in the act of September 11, 1964 (78 Stat. 928).

#### NEED

The two parcels of land to be donated under H.R. 8035 are commonly known as the William Floyd Estate. William Floyd (born 1734, died 1821) was a Delegate to the Continental Congress during the years 1774-77 and 1778-83 and was a Member of the first Congress from 1789 to 1791. He was also a major general in the New York militia, a member of the State senate (1777-78, 1784-88, 1808), and a presidential elector in 1792, 1800, 1804, and 1820. The estate has remained in the hands of his descendants ever since his death. Included in the proposed donation is the original manor house, built in the early 18th century, which was William Floyd's home. The estimated value of the two pieces of property, the committee was advised, is \$1,300,000.

Acquisition of this property on Long Island will be a welcome addition to the Fire Island National Seashore. The William Floyd house and the 34-acre tract on which it is situated has obvious historic value, and the larger tract (577 acres) has for years been used for wildlife habitat.

The bill provides for a leaseback arrangement between the United States and the present owners for not more than 25 years, a period the same as that which has been authorized in connection with property acquisitions in a number of other recent National Park Service bills. The terms of the lease must be satisfactory to the Secretary of the Interior and have due regard to the public interest. During the term of the lease the wild lands will be open to organized groups on a limited basis, maintenance and repairs will be at the expense of the lessees, and the Park Service will provide certain custodial services.

#### ROGER WILLIAMS NATIONAL MEMORIAL, PROVIDENCE, R.I.

The Senate proceeded to consider the bill (S. 1855) to provide for the establishment of the Roger Williams National Memorial in the city of Providence, R.I., which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 3, after line 9, to strike out:

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

And in lieu thereof, to insert:

SEC. 4. There are hereby authorized to be appropriated not more than \$700,000 for the acquisition of lands and interests in land and for the development of the Roger Williams National Memorial, as provided in this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may acquire by gift, purchase with appropriated or donated funds, transfer from any Federal agency, exchange, or otherwise, not to exceed five acres of land (together with any buildings or other improvements thereon) and interests in land at the site of the old town spring, traditionally called Roger Williams Spring, in Providence, Rhode Island, for the purpose of establishing thereon a national memorial to Roger Williams in commemoration of his outstanding contributions to the development of religious freedom in this country: *Provided*, That property owned by the city of Providence or the Providence Redevelopment Agency may be acquired only with the consent of such owner.

SEC. 2. The property acquired pursuant to the first section of this Act shall be established as the Roger Williams National Memorial and the Secretary of the Interior shall publish notice of such establishment in the Federal Register. Such national memorial shall be administered by the Secretary subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiques of national significance, and for other purposes," approved August 21, 1935 (49 Stat. 666).

SEC. 3. (a) The Secretary is authorized to cooperate with the city of Providence, local historical and preservation societies, and interested persons in the maintenance and operation of the Roger Williams National Memorial, and he may seek the assistance of and consult with such city, societies, and persons from time to time with respect to matters concerning the development and operation of the memorial.

(b) The Secretary may accept on behalf of the people of the United States gifts of historic objects and records pertaining to Roger Williams for appropriate display or other use in keeping with the commemoration of the founding of religious freedom in the United States and of the historical events that took place in the city of Providence in connection therewith.

SEC. 4. There are hereby authorized to be appropriated not more than \$700,000 for the acquisition of lands and interests in land and for the development of the Roger Williams National Memorial, as provided in this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report, No. 764, explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

#### PURPOSE

The purpose of S. 1855, by Senators PELL and PASTORE, is to authorize the Secretary of the Interior to establish a national memorial to Roger Williams at Providence, R.I.

#### NEED

Roger Williams (born 1603, died 1683) was one of the great leaders of American thought during the early colonial days. "Colonial thinker, religious liberal, and earliest of the fathers of American democracy, he owes his fame to his humanity and breadth of view and to his long record of opposition to privilege and self-seeking," is the summary of

account of him given in the "Concise Dictionary of American Biography." Or, as V. L. Parrington put it in his "Main Currents in American Thought," he was "the most provocative figure thrown upon the Massachusetts shores by the upheaval in England, the one original thinker amongst a number of capable social architects" in the New World.

Although Roger Williams' best-known contributions to the development of America lie in his complete insistence on religious freedom and the separation of church and state at a time and in an area where both were vigorously denied, his thinking went far beyond these two principles. In one of his writings he put his position thus:

"From this Grant I infer \* \* \* that the Sovereign, original, and foundation of civil power lies in the People \* \* \*. And if so, that a People may erect and establish what forme of Government seemes to them most meete for their civill condition: It is evident that such Governments as are by them erected and established, have no more power, nor for no longer time, then the civill power or people consenting and agreeing shall bestrut them with. This is cleere not only in Reason, but in the experience of all commonweales, where the people are not deprived of their naturall freedom by the power of Tyrants."

In a very real sense, then, he was a progenitor of many of the ideas that were later written into the Declaration of Independence and the Constitution and a person to whom all Americans owe a debt of gratitude.

The terms of S. 1855 provide for the acquisition by the Secretary of the Interior of not more than 5 acres of land in the city of Providence and for the establishment thereon of a memorial. The tract to be acquired is that on which the old town spring, commonly referred to as the Roger Williams Spring, is located. Acquisition will be from the Providence Redevelopment Authority which, after demolishing the present structures on the land and rough grading it, has agreed to sell it to the United States at its raw-land value. This is approximately \$105,000 or about 50 cents per square foot. Development costs are estimated at \$530,000 and annual operating costs at \$60,500 a year after the memorial is in full operation.

The committee is glad to note the willingness and desire of the Providence Preservation Society and the Rhode Island Historical Society to participate in operation of the memorial, the establishment of which is recommended not only by them and the Secretary of the Interior but also by the Advisory Board of National Parks, Historic Sites, Buildings, and Monuments.

Mr. PASTORE. Mr. President, I commend the majority leader for bringing this bill to the attention of the Senate at this time. Roger Williams settled Rhode Island. He was the father of religious liberty which all of us enjoy and cherish.

Mr. MANSFIELD. Mr. President, I believe that the credit should go, not to the majority leader, but to the two Senators from Rhode Island, the senior Senator from Rhode Island, and his colleague, the junior Senator from Rhode Island. They have each rendered excellent service to the Senate in their joint management of the bill which just passed.

Mr. PELL. Mr. President, I believe that credit should go to my illustrious predecessor, Senator Theodore Francis Green. This was his last legislative action and there could be no more fitting tribute to his memory.

I am extremely pleased at the Senate's action today in approving my bill S. 1855

which authorizes the Secretary of Interior to establish a small national memorial park commemorating Roger Williams, the founding father of the State of Rhode Island and Providence Plantations.

The Senate's action is the culmination of a great deal of effort by many people, going back to 1960 when a measure similar to S. 1855 was passed by the Senate as the last legislative act of my distinguished predecessor Senator Theodore Francis Green. In fact the passage of this bill is a wonderful salute to our beloved Senator Green. Unfortunately, Senator Green's original Senate-passed bill failed to win approval by the House in the waning hours of the 86th Congress, and although subsequent versions of the bill have been introduced in each succeeding Congress, there have been technical impediments to passage until now.

I am happy to report that the bill passed today represents the consensus of all interested parties, including the National Park Service, the Providence Redevelopment Agency, the city of Providence and the Providence Preservation Society. Under the terms of the bill, the Park Service will acquire approximately 4 acres of land after the land has been cleared as part of an urban renewal project being conducted by the Providence Redevelopment Agency. Agreement has been reached on the essential points of size, cost and location of the land. The Providence Preservation Society will then enter into a cooperative arrangement whereby the Park Service will establish a modest information center and the society will reconstruct a small authentic 17th century Rhode Island house on the scene. Aside from these two small facilities, the memorial will be entirely devoted to landscaped greenspace, thus returning the historic heart of the Providence community to its original state, and in the process conforming admirably, I believe, to President Johnson's interest in bringing natural beauty to our urban landscape.

As I have noted, the area involved is as fraught with historic significance as any in Rhode Island, or indeed in the whole country. It was in this small 4-acre area that Roger Williams lived and worked when he established Rhode Island as "a lively experiment that a most flourishing civil state may stand and best be maintained with full liberty in religious concerns." Within the boundaries of the national memorial lay the approximate location of the spring from which Roger Williams' household drew its water, which spring in time became a gathering place for the original settlement at Providence.

This historic area is surrounded by a unique residential area comprising some of the best preserved specimens of early American and Federal period dwellings, and it is in this area that our venerable colleague, Senator Green still lives today, himself a monument to the values and traditions of our ancient city. The Senate's action today thus is a double commemoration for it honors Senator Green as well as Roger Williams.

Finally, Mr. President, I wish to say that there has been encouraging concurrent action on a companion bill in the House. My able colleague from Rhode Island's First Congressional District, Representative ST GERMAIN, has introduced and effectively advanced his bill H.R. 7919 which has been favorably reported and is now pending on the House Calendar. It is my sincere hope that the House may complete action on this legislation before adjournment so that the agencies involved can proceed with condemnation and clearance of the park area next year.

#### NATIONAL PARK SERVICE CONCESSION POLICIES

The bill (H.R. 2091) relating to the establishment of concession policies in the areas administered by National Park Service was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 765), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

##### PURPOSE

H.R. 2091 is a companion measure to S. 396 introduced by Senator METCALF on January 12, 1965. Similar legislation had been introduced by Senator METCALF in the 88th Congress.

The principal purpose of all of these bills is to put into statutory form policies which, with certain exceptions, have heretofore been followed by the National Park Service in administering concessions within units of the national park system and in writing contracts for concessionaire services there. These policies have been in force since 1950 by virtue of an understanding between the Committee on Interior and Insular Affairs and the then Secretary of the Interior. Among other things, they deal with the subjects of a concessioner's possessory interest in improvements constructed or acquired by him on national park land, the compensation to which he is entitled if, in various circumstances, he wishes or is obliged to give up this possessory interest, and the granting of preferential rights to established concessioners to furnish additional facilities and services when needed and in the renewal and extension of contracts. H.R. 2091 also deals with many other matters related to concessions which are outlined hereinafter.

##### NEED

The Secretary of the Interior has authority under section 3 of the act of August 25, 1916 (39 Stat. 535), as amended (16 U.S.C. 3), to grant "privileges, leases, and permits for the use of land for the accommodation of visitors in the various parks, monuments, or other reservations [within the national park system] \* \* \* for periods not exceeding thirty years."

Contracts relating to such privileges, leases, and permits may, under the same act, be entered into "with responsible persons, firms, or corporations without advertising and without securing competitive bids."

These contracts, leases, permits, and privileges may be assigned or transferred only with the written approval of the Secretary of the Interior who, in addition, is specifically authorized to allow the contracting party "to execute mortgages and issue bonds, shares of stock, and other evidences of interest in or



indebtedness upon their rights, properties, and franchises, for the purposes of installing, enlarging, or improving plant, and equipment and extending facilities for the accommodation of the public within such national parks and monuments."

Under section 1 of the act of July 31, 1953 (67 Stat. 271), as amended (16 U.S.C. 17b-1) "all proposed awards of concession leases and contracts involving a gross annual business of \$100,000 or more, or of more than 5 years in duration" must be reported to the President of the Senate and the Speaker of the House of Representatives 60 days in advance of award.

The Government now depends heavily, and must continue to depend heavily, on private entrepreneurs to provide visitors to the national park system with necessary facilities and services. Because this is so, the provisions of law just recited need to be supplemented by a clear statement in statutory form of the authority of the Secretary of the Interior to deal with various matters in the field of concession policy such as those mentioned above.

This need has been growing year by year. Visitation to the various units of the national park system has expanded steadily since World War II. In 1964 it reached an alltime high. The various units of the national park system attracted more than 102 million visitors last year and 29 of these areas (not counting the National Capital parks) attracted more than 1 million visitors each and another 22 between 500,000 and 1 million visitors each.

Particularly in the case of the larger parks at which visitors expect to stay overnight, an increasing strain is being put on accommodations and other facilities for services to visitors. While simple campsites are enough for some and can often be provided through the expenditure of appropriated funds, many other visitors expect the sort of accommodations and services that only private capital can be expected to finance. The multimillion-dollar expansion and modernization program that is needed can be undertaken only by resort to fairly large-scale financing. Credible testimony before the committee during its hearings on the subject of concessions both in the 88th and in the 89th Congress indicated that lending institutions have been reluctant and even unwilling to make long-term financing available to concessioners and would-be concessioners. This arises, first, from their unfamiliarity with the way in which the concession system actually operates within the national park system, and, second, from what they believe to be the lack of adequate security for loans that they might make. The latter stems from the facts that legal title to any improvements on national park lands is in the Government and that the location, types, quality, extent, and prices of services which concessioners render must necessarily be subject to Government supervision.

Enactment of H.R. 2091 will help to overcome these financing difficulties in these ways:

First, the bill grants to concessioners a "possessory interest" in any structure, fixture, or improvement which they acquire or construct with the approval of the Secretary of the Interior on land owned by the United States within the national park system. While legal title to the improvement will continue to be in the United States, the bill specifically recognizes that the possessory interest may be assigned, transferred, and encumbered by the concessioner. Provision is also included in the bill for relinquishment of a possessory interest; this will permit waiver if, in particular circumstances, the concessioner and the Secretary agree that such is proper. The possessory interest, it will be noted, is an interest in physical structures and is separate and apart from a right to do business within the area in which the

structures are located. It does not terminate, and the bill specifically so provides, upon termination of the concession contract.

Second, the bill recognizes that compensation must be paid for the possessory interest if it is taken by the Government for its own use. Unless otherwise agreed upon by the parties the compensation will be "an amount equal to the sound value of such structure, fixture, or improvement at the time of taking by the United States determined upon the basis of reconstruction cost less depreciation evidenced by its condition and prospective serviceability in comparison with a new unit of like kind, but not to exceed fair market value."

The committee recognizes that in the usual situation fair market value would be appropriate. In the cases to which H.R. 2091 pertains, however, there is frequently no market in the usual sense of the word either because of the location of the development, because of its nature, or because of the conditions under which it is operated. It is for these reasons that it was necessary to resort to the standard stated in the bill, this being the nearest equivalent to fair market value that the committee could arrive at in the circumstances under which concessionaires necessarily operate. It will be noted, in addition, that the parties may, if they choose, adopt another standard by explicit provision in their contract. During its discussion of this matter in the 88th Congress, the committee was supplied by representatives of the National Park Service and the concessioners with a brief memorandum in which their understanding of the term "reconstruction cost" was set out thus:

"The Department and the concessioners are agreed that the terms 'reconstruction cost' and 'reproduction cost' are synonymous, and that the terms have the meaning given on page 188 of 'The Appraisal of Real Estate,' prepared by the American Institute of Real Estate Appraisers; namely, 'Reproduction cost is the present cost of replacing [the improvement] with as nearly an exact replica as modern materials and equipment will permit.'"

Third, the bill authorizes the Secretary of the Interior to include in concession contracts provisions assuring concessioners of "adequate protection against loss of investment" in certain circumstances. In general the committee recognizes that what constitutes "adequate protection" will vary with the circumstances of individual concessions and must necessarily be left to be worked out by negotiation, contract by contract. If necessary, the protection which may be given will extend to an obligation on the part of the United States to compensate the concessioner for such loss. ("Loss of investment," it will be noted, does not include loss of anticipated profits, and the amendment to the bill so provides.) The circumstances covered by this provision are those in which, as a result of discretionary acts, policies, or decisions of the Secretary which occur after the contract has come into force, the concessioner's authority to conduct business ceases or his improvements have to be removed, abandoned, or demolished or are required to be transferred to another party. The present standard form of concession contract provides that if a concessioner ceases to be authorized to conduct operations and if such operations are to be conducted by a successor, the Secretary will require the successor to purchase the concessioner's interests at their "sound value"; that if operations are to be discontinued at a given location and are not to be replaced, the concessioner is to receive their "book value"; and that if they are to be discontinued at a given location and are to be replaced elsewhere, he is to receive their "sound value."

Fourth, the bill confirms the authority of the Secretary of the Interior to limit the number of concessioners operating in any

unit of the national park system. Without being required to do so, he may allow a single concessioner, if he finds this to be in the public interest, to handle all visitor services throughout the park, or to handle all visitor services of a specified kind throughout the park, or to handle all visitor services in one portion of a park, or to handle all visitor services of specified kind in one portion of a park.

Fifth, the bill provides that the Secretary may grant to an established concessioner what is, in effect, a right of first refusal to provide additional facilities when they are needed within a park area.

Sixth, the bill provides that established concessioners who have performed satisfactorily shall be given preference in the renewal of old contracts and in the negotiation of new contracts. The Secretary may also, if circumstances suggest the desirability of such a course of action, extend or renew existing contracts upon or before their expiration. Extensions or renewals before expiration are sometimes necessary to enable a concessioner to raise capital for expanded improvements or, in cases of contracts due to expire within a year or two, to permit both the Government and the concessionaire to know where they will stand in the future and thus to assure continuity of park operations.

Neither the preference just spoken of nor the right to extend or renew is absolute. The bill requires the Secretary to give public notice of his intentions to extend or renew and to consider and evaluate all proposals received as a result thereof. This is not, and is not intended to be, a bidding procedure, with the award automatically going to the high bidder, but it is intended to bring to the attention of the public, the Secretary, and all interested parties the situation and to assure all concerned that in negotiating the new contract all relevant factors are taken into account. One of these factors, of course, and a very important one, is the desirability of continuity of operations and operators.

#### REVISION OF BOUNDARY OF JEWEL CAVE NATIONAL MONUMENT

The bill (H.R. 9417) to revise the boundary of Jewel Cave National Monument in the State of South Dakota was considered, ordered to a third reading, read the third time, and passed.

MR. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 766), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

##### PURPOSE

The purpose of H.R. 9417, a companion measure to S. 2812, introduced by Senator McGovern on June 23, 1965, is to revise the boundaries of the Jewel Cave National Monument, S. Dak., by transferring approximately 1,120 acres of land which are now within the monument to the Black Hills National Forest and by adding to the monument a comparable acreage which is now within the national forest.

##### NEED

Jewel Cave National Monument was established by Executive order in 1908. It contains 1,275 acres in all. The land adjacent to it in the Black Hills National Forest has been found to be underlain by caverns which are of great scientific and public interest. The formation in these caverns include two that are unique—scintillites, which were described to the committees as "quartz bodies which have been dissolved and reformed into a material which, in both color and

form, resembles a bowlful of spaghetti or coral," and hydromagnesite bubbles, which are "small translucent sacs of mineral deposits formed on calcite popcorn." Enactment of H.R. 9417 is needed in order to permit the new area to be opened up and made accessible to visitors as a part of the national monument. At the same time, the relinquishment to Forest Service control of approximately the same acreage now within the national monument will relieve the National Park Service of responsibility for administering land which is of no great importance for its purposes.

The long-range development plans of the National Park Service for the revised Jewel Cave National Monument include providing a ¾-mile access road and parking area, elevators, an emergency exit tunnel, underground lighting, a visitors' center, employees' quarters, and related facilities. The total cost of these installations is estimated at about \$1,646,000.

Entrance fees are being and will be charged for admission to Jewel Cave as provided in the Land and Water Conservation Fund Act. During 1964, 55,000 persons visited the area. With increased accessibility and the revision of the boundaries of the national monument, as provided in H.R. 9417, this figure is expected to increase to 200,000 annually.

Mr. McGOVERN. Mr. President, the bill we have just passed to revise the boundaries of Jewel Cave National Monument is going to lead to availability to the public of the most breathtaking, and probably the largest known cave in the world.

Jewel Cave monument was established in 1908—a 1,275-acre site believed to encompass an unusually beautiful but not outstandingly large cavern, which has attracted a good many visitors.

In recent years, a South Dakota couple, Jan and Herb Conn, have been exploring the cave. They have mapped 13 miles of previously unknown caverns. They have measured the air currents at the mouth of the cave, correlating the volume of air moving in and out with measured barometric pressures. On the basis of these measurements, the size of the caverns appear to be 3 to 4 times that of any known cave in the world. If unexplored caverns average the size and capacity of known halls and corridors, there is indicated to be several hundred miles of caverns.

The exchange of lands authorized in the bill we have passed will permit the development of a new public entrance into a large hall—Pennsylvania Station—discovered by the Conns. The public may then view some of the hitherto unknown wonders the cave contains. Explorers can then establish a new advanced base for further explorations.

In recommending the development, Assistant Secretary of the Interior Stanley A. Cain advised the committee of some of the newly discovered attractions. He writes:

Recent exploration has uncovered over 13 miles of hitherto unknown caverns in the Jewel Cave vicinity. The newly discovered sections contain numerous formations of scenic and scientific interest. Among them are two unique mineral deposits—scintillites and hydromagnesite bubbles. Scintillites are quartz bodies which have been dissolved and reformed into a material resembling a bowlful of spaghetti or coral in both color and form. They have a drusy quartz appearance which gives a dazzling sparkle to the formation. The hydromagnesite bubbles are

small translucent sacs of mineral deposit formed on some calcite popcorn. Experts are still puzzled as to how they are formed; it appears that they have not been previously described.

The large rooms and passageways with a coating of large calcite crystals and delicate dripstone formations in recently discovered sections give Jewel Cave a much greater significance. Here may be found rooms as large as 100 to 150 feet in length, with ceilings 75 feet high. Dogtooth spar lines vugs—the jewels from which the cave derives its name—are displayed in breathtaking fashion. An unusual geologic story is exhibited in several flowstone and dripstone formations which were at one time fractured, probably by an earthquake, and later healed by additional deposition. Other interesting new features found in the cave are hollow stalagmites. These standing columns covered with a coating of popcorn calcite are not commonly found in other caves in the country. These and other features occur in abundance and in many colors which makes Jewel Cave a fascinating attraction.

I am convinced, Mr. President, that Jewel Cave is one day going to be one of the great national park units—an underground wonderland rivaling Yellowstone and the new Canyonlands National Park in Utah.

South Dakota has long been known as the "Land of Infinite Variety."

Jewel Cave will soon add greatly to that variety.

#### SENATE DELEGATIONS TO FOREIGN PARLIAMENTARY BODIES

The resolution (S. Res. 145) to provide for responding to invitations from foreign parliamentary bodies was considered and agreed to, as follows:

*Resolved*, That the President of the Senate is authorized to appoint as members of official Senate delegations such Members of the Senate as may be necessary to respond to invitations received officially from foreign governments or parliamentary bodies during the Eighty-ninth Congress, and to designate the chairmen of said delegations.

SEC. 2. The expenses of the delegations, including staff members designated by the chairmen to assist said delegations, shall not exceed \$25,000 for each such delegation, and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairmen of said delegations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 769), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Resolution 145 will, for the duration of the 89th Congress, authorize the President of the Senate to respond to invitations officially received from foreign governmental or parliamentary bodies by naming official Senate delegates to accept such invitations. The resolution also authorizes the expenses of such delegations to be paid from the contingent funds of the Senate and specifies that the expenses of no single delegation shall exceed \$25,000.

It should be noted also that the provisions of Senate Resolution 145 would not obviate the necessity for the resolutions traditionally introduced for the purpose of paying the expenses of Senate or congressional delegations to parliamentary associations, such as the Commonwealth Parliamentary Association.

A more detailed explanation of the purposes of Senate Resolution 145, excerpted from the report by the Foreign Relations Committee thereon (S. Rept. 700, 89th Cong.), is as follows:

From time to time the Senate has received invitations from foreign governments or parliamentary bodies to send senatorial groups to visit in their countries. Invitations of this type have normally been referred to the Committee on Foreign Relations which, in consultation with the majority and minority leadership, has informally prepared appropriate responses to these invitations.

When invitations have been accepted, and provided there is a sufficiently large Senate delegation, the Department of Defense has been able to provide transportation. Furthermore, under the terms of the Foreign Assistance Act of 1961, as amended, members of such delegations, if properly authorized by the chairmen of appropriate committees, have been able to meet their expenses by the use of U.S.-owned foreign currencies.

However, instances occur in which the foreign policy interests do not require that all members of these delegations be selected from committees with foreign policy jurisdiction, and in these instances problems have arisen about making foreign currencies available to meet delegates' expenses while abroad. Furthermore, in some cases foreign currencies are not available.

In order therefore to be sure that the expenses of Senate members of these delegations can be met in these special cases, the Foreign Relations Committee believes adoption of this resolution would be helpful.

At the present time, the Senate is in receipt of official invitations from two foreign parliamentary bodies and it is hoped that delegations may be sent to respond to these official invitations.

The committee takes this occasion to emphasize that response to invitations of this kind should be undertaken only during periods of congressional adjournment so that there will be no interference with the conduct of the business of the Senate.

The committee also notes that adoption of this resolution in no way eliminates or abridges present limitations upon per diem amounts made available to meet expenses of individual members of the delegations and does not affect requirements for timely and public reporting of such expenditures which may be made under the terms of this resolution.

#### PRINTING OF REPORT OF PROCEEDINGS OF 42D BIENNIAL MEETING OF THE CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF AS A SENATE DOCUMENT

The concurrent resolution (S. Con-Res. 53) authorizing the printing of the report of the proceedings of the 42d biennial meeting of the convention of American Instructors of the Deaf as a Senate document was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That the report of the proceedings of the forty-second biennial meeting of the Convention of American Instructors of the Deaf, held in Flint, Michigan, June 21-25, 1965, be printed with illustrations as a Senate document; and that five thousand additional copies be printed and bound for the use of the Joint Committee on Printing.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 770), explaining the purposes of the resolution.



There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 53 would authorize the printing with illustrations as a Senate document of the report of the proceedings of the 42d meeting of the Convention of American Instructors of the Deaf, held in Flint, Mich., June 21-25, 1965, and further would authorize the printing of 5,000 additional copies of such document for the use of the Joint Committee on Printing.

The American Instructors of the Deaf was organized in 1850. Its purpose, as expressed in its constitution, is as follows:

"(1) To secure the harmonious union in one organization of all persons actually engaged in educating the deaf in America;

"(2) To provide for general and local meetings of such persons from time to time, with a view of affording opportunities for a free interchange of views concerning methods and means of educating the deaf; and

"(3) To promote by the publication of reports, essays, and other writings, the education of the deaf on the broadest, most advanced, and practical lines."

The organization was incorporated as the Convention of American Instructors of the Deaf by the act of January 26, 1897, which act provided in part that "said convention . . . shall report to Congress . . . such portions of its proceedings and transactions as its officers shall deem to be of general public interest and value concerning the education of the deaf."

As is the case with several organizations which have been incorporated by Congress, no provision was contained in the statute for the printing of the required report.

The reports of the convention, however, have traditionally been ordered printed by Congress. Statistics supplied by the Senate Library show that during the past 35 years all but two of the reports of the biennial meetings of the organization have been printed as Senate documents. Such printing was authorized by simple Senate resolution, except for the last two reports, which because of increased printing costs and the need for more copies required a concurrent resolution. In prior years the Joint Committee on Printing used its administrative authority to obtain a nominal amount of additional copies of the document for the use of the convention, but authority for printing the additional copies is now expressed in the resolutions. The additional copies are sent to the organization for distribution to its delegates, to libraries, and to other interested institutions and individuals.

The printing cost estimate, supplied by the Public Printer, is as follows:

#### Printing cost estimate

To print as a document (1,500 copies)-----	\$10,443
5,000 additional copies, at \$803 per thousand-----	4,015
Total estimated cost, S. Con. Res. 53-----	14,458

#### ELECTRIC TYPEWRITERS FOR MEMBERS OF HOUSE OF REPRESENTATIVES

The joint resolution (H.J. Res. 309) to amend the joint resolution of March 25, 1953, to increase the number of electric typewriters which may be furnished to Members by the Clerk of the House was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 768), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The joint resolution of March 25, 1953 (Public Law 10, 83d Cong.; 2 U.S.C. 112a-1), as amended, authorizes the Clerk of the House of Representatives to furnish certain electrical or mechanical office equipment for the use of Members of the House of Representatives.

House Joint Resolution 309 would further amend that joint resolution to increase the number of electric typewriters which could be furnished to Members of the House of Representatives from 3 to 4 for Members from districts with a population of less than 500,000 persons, and from 4 to 5 for Members from districts with a population of more than 500,000 persons. The joint resolution also provides that one of those electric typewriters may be an automatic typewriter.

#### SMITHSONIAN INSTITUTION

The Senate proceeded to consider the bill (H.R. 7059) to amend the act of July 2, 1940 (54 Stat. 724; 20 U.S.C. 79-79e), to authorize such appropriations to the Smithsonian Institution as are necessary in carrying out its functions under said act, and for other purposes which had been reported from the Committee on Rules and Administration with an amendment, on page 1, line 7, after the word "sums", to insert "not to exceed \$350,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act to amend the Act of July 2, 1940 (54 Stat. 724; 20 U.S.C. 79-79e), so as to increase the amount authorized to be appropriated to the Smithsonian Institution for use in carrying out its functions under said Act, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 771), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

#### EXPLANATION

The purpose of H.R. 7059 as referred is to remove an outmoded \$10,000 limitation on the annual appropriations authorized for the Canal Zone Biological Area at Barro Colorado Island on Gatun Lake in the Canal Zone.

The facility there, for the past 19 years under the Smithsonian auspices, is the only tropical biological research area under the U.S. flag in the Latin American tropics, and was established in 1940. In 1946, the functions of this facility, together with the original statutory limitation on the funding involved, were transferred to the Smithsonian Institution under Reorganization Plan No. 3 of that year.

#### COMMITTEE AMENDMENTS

While the Committee on Rules and Administration concurs in the general purpose of H.R. 7059, to repeal the obsolete \$10,000 limitation on annual appropriations for the Canal Zone Biological Area, it believes, however, that a reasonable financial limitation should be placed upon this activity. Consequently, the committee has amended H.R. 7059 to limit the authorization for the pur-

pose to \$350,000 per annum. That figure is considered realistic and appropriate by the committee on the basis of testimony it received from Dr. S. Dillon Ripley, Secretary of the Smithsonian Institution. The title of the bill has been amended also, to reflect the committee action.

#### LEGISLATIVE BACKGROUND

On July 23, 1964, after favorable report from the Committee on Rules and Administration, the Senate passed S. 808, similar in concept to H.R. 7059. The measure, however, failed of House approval during the 88th Congress.

S. 808 was introduced by Senator LEVERETT SALTONSTALL (for himself and Senator CLINTON P. ANDERSON and Senator J. W. FULBRIGHT); and in the 89th Congress a bill (S. 1294), identical to H.R. 7059, was introduced by Senator SALTONSTALL with those same cosponsors. All three Senators serve as Regents of the Smithsonian Institution.

H.R. 7059 was passed by the House of Representatives on May 10, 1965. In view of the House action, the committee reports favorably on this measure.

Senate Report No. 1231, accompanying S. 808, demonstrated that the research activities of the Smithsonian in the Canal Zone have been increased since 1946, and that sums in excess of the statutory limitation have been budgeted and approved since 1951.

The legislation is needed so that a point of order may be avoided on this item in the Smithsonian's annual budget, and so that the important research activities of the Smithsonian in the Canal Zone can be conducted and administered in conformance with current procedures.

#### DEPARTMENTAL REPORTS

In his report to Senator CLAIBORNE PELL, chairman of the Subcommittee on the Smithsonian Institution of the Committee on Rules and Administration, Dr. S. Dillon Ripley, Secretary of the Smithsonian Institution, stated in part:

"The act of July 2, 1940, established the Canal Zone Biological Area as an independent Government entity with its own Board of Trustees and an annual appropriations limitation of \$10,000. In 1946, the functions and authority of the independent Board were transferred as a whole to the Smithsonian Institution by Reorganization Plan No. 3, and the Canal Zone Biological Area became an integral part of and an important center for the Smithsonian's programs in tropical biology. Although it was not the intent or effect of this transfer to place a \$10,000 limitation on the Smithsonian's expenditures for tropical biology, it was not possible, using the Reorganization Act power, to remove this inappropriate portion of the original legislation. Consequently, at the request of the Board of Regents, S. 1294 is proposed for the purpose of removing this limitation and making clear that the appropriations authority for Smithsonian activities associated with Barro Colorado Island is the same basic authority underlying appropriations for other longstanding Smithsonian research programs . . . .

"The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administrations' program."

The report (H. Rept. No. 280) from the House Committee on Merchant Marine and Fisheries accompanying H.R. 7059 contains the following pertinent statement from a departmental report of the Panama Canal Company, relating to H.R. 7059, and signed by W. M. Whitman, the Company's secretary.

"The act of July 2, 1940, is administered by the Smithsonian Institution pursuant to Reorganization Plan No. 3 of 1946 and neither the Panama Canal Company nor the Canal Zone Government has any function or responsibility for the operation of Barro Colorado Island. Neither agency of the canal

enterprise, however, has any objection to the enactment of H.R. 7059 which relates solely to the program carried on by the Smithsonian Institution in the Canal Zone. "The Bureau of the Budget advises that there is no objection to the submission of this report."

#### THE BRITISH LEAP FORWARD

Mr. JAVITS. Mr. President, I want to call to the attention of my colleagues a very thoughtful and perceptive editorial, written by Walter Lippmann, which appeared in today's Washington Post.

In the editorial Mr. Lippmann makes a sober appraisal of the newly issued British 5-year plan and the problems it attempts to deal with in the British economy.

He expresses doubt whether any British Government—whether led by Labor or the Conservatives—could make this plan workable. He makes this statement not on the grounds that the plan is ineffective or too ambitious or out of tune with the times but because Britain's special situation—its global military responsibilities and the international reserve currency role of the pound sterling—which makes its domestic economic problems vastly different from that of other European nations. Because of these special factors and the simultaneous need to modernize the British economy Britain has not been able to play an effective role as our ally. Mr. Lippmann takes the position that it is essential for us to have Britain as a strong ally and that for this reason the British situation should be of serious concern to the United States.

I share Mr. Lippmann's concern over Britain and on August 12 I addressed myself to analyzing Britain's economic situation on the floor of the Senate and made several recommendations how the United States in cooperation with continental Europe can assist Britain to help itself. I am pleased that Mr. Lippmann sees Britain's situation very much the same way as I do and I hope that the United States will take the lead in marshaling economic support for Britain so that Britain can take the necessary steps to modernize its economy and thereby continue to play its very constructive economic and military role in the world. And as a close ally of the United States.

I ask unanimous consent that Mr. Lippmann's editorial be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### TODAY AND TOMORROW: THE BRITISH LEAP FORWARD

(By Walter Lippmann)

Although the large volume published in London last week is called "The National Plan," Americans who read it will have to bear in mind that it is less an announcement of government policy than a statement of intentions and hopes. The plan is in effect a theoretical consensus, put together by expert civil servants after extensive study of the economy and questioning of managers and labor leaders. The plan is a national estimate of what could be done in the course of the next 10 years to modernize the British economy. It carries with it the commitment

of the Government to take such measures as will help, will prod, pull, and compel managers, labor leaders, investors, bankers, and public servants to carry out the plan.

Compared with the customary behavior of British industry since World War II, the plan seems very ambitious. For example, it proposes a 25-percent increase in the national output before 1970. This means that the rate of output of each worker must rise by 3.4 percent per year instead of by 3 percent as it now may be rising. Though the difference looks small, it would in fact require a great leap forward in technology and habits of work. While no one is in a position to say that the leap forward cannot be made, it is not at all certain that Britain has in the present Labor government, or could have now in a Conservative government, the kind of government which is strong enough to make the national plan workable.

As against this, it can be said that the principles of the plan have in fact been carried out successfully in France, originally under the leadership of M. Jean Monnet, and that the French recovery and reconstruction which began in the pre-Gaullist years has been carried on under General de Gaulle too. In fact, it would be fair to say that this kind of planning in what the French call the "concerted economy" belongs to advanced, highly developed economies in democratic societies, and that variants of it, in greater or lesser degree, have in the modern world replaced socialism as a method of reforming the abuses and the weaknesses of laissez faire capitalism.

The plan is, one might say in tune with the times. But, applied in Britain, there are certain special conditions which must give us pause. Britain has difficulties which are not shared by the great West European powers. Thus, as a matter of fact, all the West European countries, except Portugal, have liquidated their prewar empires; none has the kind of global responsibility which Britain still bears from Aden to Singapore. It is a very serious question whether the British Isles can provide the economic basis to support this remnant of the old imperial system.

Britain differs also from the flourishing West European states in another important respect. The Europeans do not have the burden, as well as the benefits, of having a currency which is an international reserve asset.

To carry on the remainder of empire in Asia and to keep the pound sterling as an international reserve currency the combination of these two enormous commitments makes the reconstruction and recovery of Britain different in kind as well as in degree from that of France, Germany, Italy, and the rest.

Yet, it is this very combination which concerns us in America very deeply. Britain today is not filling, is not able to fill, the role of a first-class power. The British Government has felt itself to be so weak at home and abroad that it has not been able to play the part of a true ally. A true ally has to be an independent friend and supporter. The problem of working out the relations between the Western World and the Asian Continent cannot be done by American military and economic power alone. For it is beyond the experience and wisdom of any one power to play so great a part. President Johnson has had little or none of the kind of help that a true ally, especially an old and experienced one like Britain, can and should give him.

More than that, just beyond the horizon lies the possibility that if Britain cannot play her role in the East, we shall be called upon to provide the replacement.

Thus, we have a positive interest in British recovery and reconstruction, and we must insist on hoping that what France, Germany, and Italy have done, the British people will find a way to do also.

#### THE UNITED NATIONS' FINEST HOUR

Mr. JAVITS. Mr. President, I suggest that the United Nations, as Ambassador Goldberg has said, saw its finest hour when it arranged the cease-fire between India and Pakistan which went into effect yesterday. The United Nations played the essential role in bringing under control a conflict that could, if it had not been checked through the efforts of that body, been a disaster for Asia and the world. The United States was indeed wise to put its full weight behind the U.N. cease-fire efforts. The U.N. and the diplomats who through that organization brought about the cease-fire have done a truly spectacular job for which the world has cause to be very grateful. The settlement is proof that the U.N., whose vitality had so recently been called into doubt in some quarters, is still very much alive, and remains an essential instrument of peace.

Now that the U.N. has surmounted this test—which is certainly one of the most rigorous it has ever had to face—it must undertake the further task of settling the underlying dispute over Kashmir. Let no one be blinded by the cease-fire into believing that the trouble is over—the resolution of the Kashmir problem confronts the U.N. now with an even more severe test. Our full energies must be devoted to assisting the U.N. to meet that test too, through the negotiation of a peaceful settlement of the dispute, so that the two great nations of the subcontinent may not feel called upon to turn to armed conflict once again.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD the unedited text of my column, "Main Stream," which appeared in the September 9, 1965 edition of the New York Journal American; an editorial from yesterday's Washington Evening Star; an article and an editorial from today's Washington Post; and an editorial from today's New York Post.

There being no objection, the column, articles, and editorials were ordered to be printed in the RECORD, as follows:

#### VITAL TEST FOR U.N. IN KASHMIR WAR

(By Senator JACOB K. JAVITS)

The India-Pakistan fighting has presented the United Nations with a severe test as well as an opportunity to confirm its usefulness as a peacekeeping organization. It has also underlined the necessity of the United Nations as the prime international agency for peacemaking.

The United Nations has taken a leading role in the attempt to stop the fighting at a time when its viability as an effective international peacekeeper is still being questioned as a result of the hassle over who should pay for past peacekeeping operations. The international body is again in the middle of a difficult and possibly catastrophic confrontation which the weight of world opinion wants settled immediately. It has become involved—as it should—in an issue which almost every power in the world—except the leading enemies of world peace, the Communist Chinese—would like to see resolved without further bloodshed and without further escalation.

The question is: Can the United Nations succeed in ending the fighting and then in



fashioning the means necessary to maintain peace on the Asian subcontinent? Can the United Nations, so recently beleaguered, again prove its usefulness as a force for peace in the world?

The questions are not academic, and the answers will be written in history in a painfully short time. For India, Pakistan and the world, the stakes are just too high to allow a continuation or escalation of the fighting that could ultimately lead to the destruction of one or both of the adversaries and virtually invite Communist China to interfere in a major way in the affairs of the subcontinent.

Both the United States and the Soviet Union have chosen to work through the United Nations to bring this conflict under control, without taking sides on the substance of the dispute. The Security Council has twice voted unanimously to call for a cease-fire, and has sent Secretary-General U Thant to the scene in an attempt to obtain it. The very fact that the United Nations has intimately involved itself in efforts to end this fighting is a sign that it is very much alive. The interests of the United States and the U.S.S.R. coincide in this case, creating unanimity in the Security Council and giving the United Nations an opportunity to move strongly, if need be, to restore peace. The individual and collective efforts of the United States, the Soviet Union, Great Britain, of SEATO and CENTO—in fact, every available resource—must be brought to bear to effect a cease-fire. But the main responsibility properly belongs in the first instance to the United Nations.

The main lesson of this conflict so far is that the United Nations, to be effective, must not only be able to put out fires after they start, but must also have the ability to prevent them. Kashmir has been a point of contention between India and Pakistan since the partition of the subcontinent 18 years ago. Attempts to bring about a final settlement have been fruitless, even though it was obvious that grievances—whether real or illusory—were not disappearing with the passage of time and showed no inclination to disappear in the future.

Yet the United Nations and the world seemed unable to do anything but watch and wait until the explosion came and tanks and planes crossed national frontiers.

Now the United Nations must not only be able to halt the fighting, but must evolve some mechanism to prevent explosive pressure from building again along the Indian-Pakistan border. This will mean increased emphasis on methods of adjusting disputes before they erupt into violence. That is what the United Nations was designed to do, and it is significant that Great Britain has recently proposed a broad study of the methods and machinery which might be used by the United Nations in achieving the peaceful settlement of disputes before the parties try to solve them by force.

The next few weeks will be difficult ones for the United Nations. It deserves and needs full backing from the United States and every other peacekeeping nation. But a decisive United Nations victory in this critical confrontation would give new hope to the millions who like us feel that the United Nations is still the best hope for peace in an imperfect world.

[From the Evening Star, Sept. 22, 1965]  
THE CEASE-FIRE

The cease-fire in the Indian-Pakistan conflict, scheduled to begin at 6 o'clock this evening, is undoubtedly the most dramatic example to date of the United Nations' ability to stabilize a spreading crisis. Coming as it does during the U.N.'s 20th anniversary—when so many internal problems be-

devil the world organization—the truce is a good omen.

The acceptance of a cease-fire by the warring parties came in part because of economic and political pressures brought to bear by the United States and the Soviet Union. But it is obvious that both New Delhi and Rawalpindi were forced to a belated realization of the enormous dangers inherent in a drawn-out war over a disputed territory.

These dangers were compounded by Red China's threatened intrusion into the conflict—a threat which also is now eased by a Chinese assertion that India has dismantled military installations it supposedly was maintaining on the Tibet side of the Sikkim border.

The truce itself may be nothing more than a breather. But it does indicate that neither India nor Pakistan can envision, at this point, a victory sufficient to overshadow the mounting war losses and the combined pressures of those powers anxious to end the crisis.

Now begins the more difficult task of finding an equitable solution to the problem of Kashmir. In his acceptance of the cease-fire order, Pakistan's Ayub Khan threatened to withdraw from the United Nations altogether unless the U.N. can come up with a "fair and honorable settlement" of the Kashmir question. But the mere fact that Pakistan—and, inferentially, India—has decided to shift the responsibility for such a solution to the U.N. itself is some cause for optimism.

U.S. Ambassador Arthur Goldberg said this morning that "the Security Council has addressed itself to perhaps the gravest problem in U.N. history." And it addressed itself with authority and dispatch. The basic limitation on the powers of the U.N. is that it must find a consensus among the major powers on any specific peace-keeping mission. But when it has such a consensus, it can function. Hopefully, its demonstrated ability to function in this difficult case will build new confidence in the future of the world organization.

[From the Washington Post, Sept. 23, 1965]

#### U.N. MAKES PEACE IN ITS FINEST HOUR

(By Louis B. Fleming)

UNITED NATIONS, N.Y., September 22.—There was a glow of satisfaction and the return of a long-lost sense of confidence at the United Nations today following the early morning agreement on a cease-fire between India and Pakistan.

The United Nations had made peace. And so had Arthur J. Goldberg. Corridors buzzed about both.

Only a handful of hearty diplomats had been on hand in the Council chamber at 3 a.m. to hear Pakistan Foreign Minister Zulfikar Ali Bhutto read the cease-fire agreement.

Only eight reporters had stood in the corridors an hour later to hear U.S. Ambassador Goldberg say: "This is a great moment in the history of the United Nations."

#### CLOSE SHAVE FOR PEACE

And only a few persons knew how close to disaster the path to peace had come in the tense hours between 1:45 a.m. Monday, when the Council demanded a cease-fire, and 3 a.m. Wednesday, when Bhutto agreed.

There was almost universal agreement among diplomats that this was the Security Council's finest hour. The threat of this war, with the backstage role of Communist China, had an importance that most thought greater than earlier council peace actions.

Most of the delegates agreed that much of the credit belonged to Goldberg, even though he had risked a mutiny by some of the members, and even though the final

agreement was threatened by a walkout of some of the same angry members early today.

Goldberg himself was convinced that the agreement early Monday morning was the fruit of continuous negotiations he had demanded as Council president.

#### SIX THREATENED TO QUIT

At the crucial moment in these negotiations Monday, the six nonpermanent members of the Council handed Goldberg a letter threatening to walk out and challenging his extended talks alone with France, the Soviet Union and Britain while they cooled their heels outside. Fortunately, he had just won agreement from the Big Four on a resolution almost identical to one he had negotiated earlier in the day with the six.

Their mutiny was abandoned and the Council adopted the resolution.

Council members themselves were kept in a state of suspense by Pakistan until Bhutto read the agreement of his government at the exact hour set for the cease-fire in the Council's Monday resolution.

At 2:36 a.m. Goldberg invited Bhutto to address the Council. At this point, no one on the Council yet knew what the Pakistani would do.

#### BITTER CHARGES

For 20 minutes, the Foreign Minister gave a traditional Kashmir dispute speech, ringing oratory, bitter charges against India, protests of absolute innocence on the part of Pakistan, a threat to fight for 1,000 years if necessary to defend the right of self-determination for the people of Kashmir.

But he kept looking at the clock. Just at 3 a.m., the hour of the cease-fire deadline, he halted his speech, pulled out a piece of paper, and carefully read the following message from Pakistani President Ayub Khan: "Pakistan considers Security Council resolution 211 of September 20 as unsatisfactory. However, in the interest of international peace and in order to enable the Security Council to evolve a self-executing procedure which will lead to an honorable settlement of the root cause of the present conflict, namely the Jammu and Kashmir dispute, I have issued the following order to the Pakistan armed forces \* \* \*"

Pakistan would stop shooting in 5 minutes, he informed the Council.

Council members recessed to draft their acceptance. The final cease-fire deadline was postponed for 15 hours to give both armies time for implementation.

Elation over the peace agreement was tempered with a realization that, as Goldberg said, the cease-fire was just the beginning. Pakistan obviously was dead serious when it said it would quit the United Nations if the Council allows the question of Kashmir to drift as it has for 16 years.

But it was impossible to exaggerate the achievement in terms of revived prestige for the organization. It was a credit to Secretary General U Thant, whose 9-day peace mission to India and Pakistan laid the foundation for the cease-fire agreement.

And for the Council, it was a moment particularly significant for the unity of the big four that succeeded in isolating the conflict from the opportunism of Peiping.

[The U.N. General Assembly's steering committee recommended—without taking a formal vote—that the Assembly again take up the issue of a seat for Red China, Associated Press reported. U.S. Ambassador Charles Y. Wost said the United States had no objection to full-scale Assembly debate, but added that in the light of recent events he believed the debate "would serve no useful purpose." The steering committee also overrode Communist objections and recommended that the Assembly again take up the Tibet issue.]

[From the Washington Post, Sept. 23, 1965]

#### THE FRAGILE CEASE-FIRE

Peace prospects have taken a dramatic upward turn with Indian and Pakistani agreement to a cease-fire and the easing of Chinese pressure on New Delhi. For the halt to the fighting great credit is due the United Nations Security Council and Secretary General U Thant personally. Here is an encouraging demonstration that the international machinery can work when both the Soviet Union and the United States cooperate to keep the matter out of the cold war.

That there was a tacit understanding on this point is evident from what happened, even though for ideological reasons Moscow cannot publicly proclaim a common interest with the United States. Both countries were careful to work through the U.N. and not to impede its efforts. Soviet Premier Kosygin refrained from taking sides over Kashmir but made clear his country's concern with halting the fighting. President Johnson is known to have exchanged personal letters with both Indian Premier Shastri and Pakistani President Ayub while focusing on the U.N.

No doubt all of this had its influence in Peiping, where the significance of the unwritten Soviet-American cooperation to forestall Chinese intervention must have been fully understood. If China now wants to proclaim that India backed down on the border dispute about which the Peiping Government had been so blustery, this sort of facesaving is inexpensive.

Indeed, the Indian Government appears to have played its cards skillfully. It appears to have yielded no point of much substance respecting the border. But in view of its conciliatory attitude, the Chinese would have looked both sinister and ridiculous if they had pressed a military action for the return of 59 yaks. Of course the Chinese aim of degrading India and encouraging political fractionalization remains, but this time the Indians are in a much stronger position than during the humiliation of 1962.

This relative success of India tends to make the outlook for Pakistan more troubled. The Pakistani guerrilla activity and the later military thrusts plainly failed to achieve their objective of forcing a Kashmir settlement. To whatever extent Pakistan relied on a diversion by China it had no very great success either, although the Chinese threat may have made a cease-fire seem more urgent to New Delhi. For Pakistan, with its goal unfilled, the acceptance of a cease-fire unquestionably was difficult even if necessary. All the same, Pakistani Foreign Minister Bhutto was foolish to threaten withdrawal from the U.N. if no Kashmir solution is found. Incidentally, some diplomats believe that President Ayub may have sent his firebrand foreign minister to New York in order to get him out of Rawalpindi while important decisions were being made.

Irrespective of any nationalist considerations, it ought now to be apparent in both countries that the bloodshed will have been in vain unless there is a harmonization—which means some sort of Kashmir accommodation. The Security Council formula for further talks is very vague. Much will now depend upon the reasonableness of both parties, especially India. There can be no patience with any all-or-nothing formula on either side.

For India to concede anything about Kashmir, in view of the fear of communal disorders and the state of feeling against Pakistan, would take a large measure of statesmanship. But India can either face a continually frustrated neighbor or help build stability in Pakistan by acknowledging the merit of at least some of the Pakistani case in Kashmir. Much again will depend upon how well the United States and the Soviet Union, each with an eye on China, can continue working together privately and through

the United Nations to emphasize that this time a Kashmir solution is imperative.

[From the New York Post, Sept. 23, 1965]

#### REPRIEVE IN ASIA

Mankind has won another reprieve. Thanks to the U.N. and skillful great-power diplomacy in support of its effort, the danger of a great Asian conflagration has been at least temporarily averted.

But the silencing of the guns brings no automatic guarantee that the voice of reason will begin to be heard on the subcontinent. The postwar diplomatic agenda is littered with cease-fires that have not been converted into permanent settlements. The Kashmir time bomb has been ticking away since 1947, when the U.N. arranged its first cease-fire. The full explosion did not come this time, but the fuse is still lit.

The cease-fire command of the Security Council to which India and Pakistan deferred recognizes the peril of allowing the Kashmir question to revert to the agenda status of an old chestnut. Paragraphs 4 and 5 of the resolution envisage a truce as the first step toward the settlement of the political problem underlying the present conflict. U Thant is requested to exert every possible effort to give effect to the whole resolution.

President Johnson's expression of pleasure over the cease-fire noted the precariousness of the truce.

"The job of the U.N. has just begun," he said, adding that the United States would "fully support it every step of the way by our actions and our words."

President Johnson rightly paid tribute to U Thant's fairness and firmness in the service of peace, as well as to the role of America's U.N. team, headed by Ambassador Goldberg.

The tributes were merited, but it must also be underscored that the U.N. was effective in this crisis, because member states, and especially the great powers, resolutely backed up its commands.

The U.N. never showed itself more indispensable than at this moment when voices in many capitals were writing it off as a failure. India and Pakistan, especially the latter, were able to yield to a cease-fire order from the U.N., which they would have been unable to accept from any single nation or group of nations.

The great powers, especially the United States, Russia, and Britain, were able to unite their cease-fire efforts through the U.N. in a fashion that might have been impossible.

If this cooperation continues, if the United States, the U.S.S.R., and Britain now support U Thant's conciliation moves with the same vigor they manifested in bolstering his cease-fire efforts, there may be some hope of a permanent settlement.

#### TRIBUTE TO HON. EUGENE M. ZUCKERT

Mr. STENNIS. On September 30 the Honorable Eugene M. Zuckert will retire as Secretary of the Air Force and return to private life. He then will have served continuously as Secretary for more than 4½ years, longer than any man in history.

Mr. Zuckert, at the age of 54, has already had a long and distinguished career, most of it devoted to public service. He has served as Assistant Secretary of the Air Force under our distinguished colleague, the senior Senator from Missouri [Mr. SYMINGTON], as a member of the Atomic Energy Commission, and in various other positions of trust and responsibility. The honors and assignments which have come his way

were in just recognition of his talent, ability, and dedication.

I have come to know Mr. Zuckert well during his tenure as Secretary of the Air Force. We have worked together on many important defense matters involving the security of this country and, while we have not always agreed upon the means, we have always shared the mutual goal of enhancing the national defense posture of this country. I have nothing but respect for his achievements, his ability, his zeal, and his devotion to the public welfare. It was under his guidance that the Air Force missile program came from almost nothing to its present overwhelming might and power.

I am delighted to take this opportunity, Mr. President, to commend Mr. Zuckert for his outstanding service and to wish him well in all of his future endeavors.

#### A SOLDIER'S VIEW: JUSTICE IS A NEW GI BILL

Mr. YARBOROUGH. Mr. President, with the conclusion of open hearings on cold war GI bill proposals by the House Veterans' Affairs Committee the House could act upon this worthy legislation this year. Time is of the essence in this matter, for there are at present hundreds of thousands of young men and women emerging from 2 to 4 or more years of military service who are in desperate need of educational readjustment assistance, as pointed out in Lieutenant Ford's letter; privates in the Army get less pay than a Job Corps trainee.

Mr. President, I ask unanimous consent that a letter from Lt. William T. Ford, of Leesville, La., dated September 13, 1965, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LEESVILLE, LA.

HON. RALPH W. YARBOROUGH,  
Senate Office Building,  
Washington, D.C.

YOUR HONOR: This letter is written from deep in the boondocks and bayous of Fort Polk, La., and it is rather dusty and hot.

The purpose of this letter is to indicate my approval of the GI cold war bill.

As one who is a soldier at the present time, I would like to offer you a soldier's view of this bill.

We in the service are rapidly falling behind our civilian counterparts in both education and longevity in our careers. Many of the men with whom I graduated in college are now graduating with a master's degree. For one who plans a career of teaching, it means that I am already a year behind my colleagues in my graduate studies and I still have a year of service left.

What about the privates of this Army? Many of these young kids—and they are kids of 17 and 18—are making less than they would in the Job Corps. This hardly seems like justice.

Few of us here like the Army but we do feel a sense of duty to our country. It would seem that the country could afford to give us a little help to catch up with our peers when we terminate our enlistments.

In closing, I would like to say that there are a lot of future college students, graduate and undergraduate, out here with our fingers crossed that the bill will pass and Senator, there are also a lot of soldiers in Vietnam hoping that it will pass.

Respectfully yours,

WILLIAM T. FORD,  
Second Lieutenant, Infantry.



## THE BOBBY BAKER CASE

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "The Baker Coverup Continues," published in today's issue of the Chicago Tribune.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

## THE BAKER COVERUP CONTINUES

The Johnson administration has committed two wrongs in order to make what it considers one right; namely, the prevention of any further embarrassing disclosures in the Bobby Baker case.

The first wrong was the appointment of David Bress, a former lawyer for Baker's Serv-U Corp., as U.S. attorney for the District of Columbia. This is the office which would normally handle the prosecution of Baker, if he is indicted in connection with his various influence-peddling schemes. The proceedings would be public, and a good many influential brows might perspire.

Senators WILLIAMS of Delaware and MILLER of Iowa, both Republicans, objected to the nomination of Bress, pointing out that as an erstwhile lawyer for Baker it would be unethical for him to make available all of his knowledge of Baker's affairs and that this would prevent him from properly carrying out his duties.

Instead of withdrawing the nomination, Attorney General Katzenbach came up with a neat alternative—one which looks suspiciously like what the White House intended to do all along. Mr. Katzenbach told the Senate committee considering the appointment that there was no need to worry: Bress wouldn't have to handle the Baker case. The Justice Department would bypass him and handle the case in its own criminal division. Here, needless to say, it would be directly under the watchful eye of the administration. The lid could be clamped down quickly whenever any unpleasant information threatened to arise linking the Johnson clique with Baker's affairs.

We have to admire the ingenuity of the administration troubleshooters in devising means of keeping the Baker case out of public sight, but it's getting a little tedious. We shudder to think how bad the truth must be to warrant all this hocus-pocus. Senator WILLIAMS has all the more reason to keep up his investigations.

## THE VETERANS OF FOREIGN WARS AND FREE MAILING PRIVILEGES TO U.S. SERVICEMEN IN VIETNAM

Mr. COTTON. Mr. President, this Senate is, I am confident, well aware of the continuing and beneficial influence of the Veterans of Foreign Wars in matters pertaining to our national security. The contributions of the VFW toward the strengthening of our Nation have been frequent and important.

The VFW, consisting of 1,300,000 overseas combat veterans has taken in recent years an increasingly active interest in matters pertaining to the man in our armed services. The result has been that the VFW is widely recognized as the spokesman for the man in uniform. It is good for the men in uniform and it is good for our country that the VFW performs this extremely important role, because as all who have served in the military well know, the man on active duty is, by the very nature of military service, unable to effectively speak up for his own interest.

This the VFW is doing most effectively for our fighting men.

One of the latest examples of how the VFW helps look after our men in uniform and, thus, strengthens our country in the process, is the matter of free mailing privileges for our servicemen in the Vietnam war. There had been considerable talk, but not much in the way of results as to free mailing until last May. At that time the then commander in chief, Mr. John A. Jenkins, of the Veterans of Foreign Wars, and Brig. Gen. James D. Hittle, U.S. Marine Corps, retired, the VFW director of national security and foreign affairs, made an official visit to our forces in South Vietnam. Buck Jenkins and General Hittle got out into combat areas far distant from Saigon. They visited our troops in the forested mountain country along the Cambodian border and they were one of the first to visit the then newly seized marine beachhead at Chu Lai. They quickly saw the necessity of free mailing privileges for our fighting men in Vietnam, and what is more they did something about it.

Immediately upon their return to the United States, then Commander Jenkins wrote the President of the United States urging free mailing for our troops in Vietnam. At the same time, as Members of this Senate are aware, General Hittle, the VFW national security and foreign affairs director, met with Members of this Senate, as well as Members in the House, to discuss the matter of free mailing privileges.

It was my privilege to introduce a bill in the Senate to accomplish this objective. Subsequently, in order to expedite matters, I offered the same measure in the form of an amendment to the military pay bill which was under consideration by the Senate. That amendment was adopted unanimously, and when the President signed the military pay bill into law, free mailing privileges for our military personnel in Vietnam became a reality.

The alert and skillful efforts of the VFW in support of this worthy cause deserve full recognition. It is one more example of the effective work performed by our great veterans organizations in support of our armed services. Recently, a story of what the VFW did in obtaining free mailing privileges was the subject of a nationally syndicated column by the distinguished writer for the Hearst Headline Service, Mr. Bob Considine.

At the conclusion of my remarks, I include Bob Considine's column as it appeared in the New York Journal-American and many other daily newspapers throughout the United States.

Also, because of its importance, I include the text of the letter by then VFW Commander Jenkins to the President of the United States with reference to free mailing for our servicemen in Vietnam.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 17, 1965.

THE PRESIDENT,  
The White House,  
Washington, D.C.:

During my recent trip to South Vietnam, I was fortunate to be able to visit our fight-

ing men in various parts of that embattled country. I can report to you, Mr. President, that our fighting men are performing their duty with a dedication, loyalty, and degree of efficiency that has historically been the hallmark of those in our Armed Forces. As a result of my visits to fighting fronts in South Vietnam, I take this opportunity to respectfully recommend that free mailing privileges be authorized to all those in our Armed Forces in South Vietnam. On the basis of my personal observations, I am convinced that it is an unnecessary burden for men engaged in a life and death conflict to have to travel to a postal branch, line up for stamps, and then go back to their combat assignments. It is impossible for our troops living, for instance, in primitive conditions of the mountainous frontier, and in the deep and drifting sands of the Chu Lai beachhead to keep their postage stamps in a usable condition until they have time to write to their loved ones at home. It is also respectfully submitted, Mr. President, that in the long run, the granting of free mailing privileges to our forces in South Vietnam would prove to be an economical step. The merchandising of stamps and maintenance of even rudimentary postal facilities seem to be an unnecessary expenditure under the existing circumstances. Hoping that this recommendation merits your favorable consideration, I am

Respectfully,

JOHN A. JENKINS,  
Commander in Chief, VFW.

[From the New York (N.Y.) Journal-American, Sept. 15, 1965]

PEOPLE—PLACES—POSTAGE  
(By Bob Considine)

Washington dragged its feet, and other portions of its anatomy, on the question of providing free mailing privileges to U.S. military in the hellhole of Vietnam, until the Veterans of Foreign Wars went to work.

Last May the then national commander in chief of the VFW, Buck Jenkins, of Birmingham, Ala., and Brig. Gen. James Hittle, U.S. Marine Corps, retired, visited combat troops at Ban Me Thuot in the Montagnard tribal country along the mountainous Cambodian frontier.

"While there we saw Army special forces men, directly in from the bush, go up to the improvised mail orderly window for stamps, put them in the pockets of their combat uniforms, and head back to the bush again. It was obvious they would have a ball of glue and paper after the next rain shower."

The VFW men saw several other similar mailing impositions placed on men under constant combat conditions. They came back to Washington fighting mad. The first Congressman to pick up their cause was Bob Wilson, of California, a member of the House Armed Services Committee. Senator NORRIS Cotton, of New Hampshire, swung quickly in line, proposed the amendment to grant free mailing to the troops in Vietnam on the shirtil of the military pay bill.

And that's why you'll be hearing more often from men engaged in the dirtiest war into which the flag has ever been carried.

## BIG BROTHER: PUBLIC AWARENESS

Mr. LONG of Missouri. Mr. President, on September 13, 1965, the executive board of the Communications Workers of America passed a resolution on containing "Big Brother." This action by one of our largest and finest unions is a great help to those of us who want to preserve the citizens' right to privacy. I commend the CWA and ask unanimous consent that this resolution be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

#### INVASIONS OF PRIVACY

Invasions of privacy by business, governments, and other interests by means of hidden microphones, cameras, one-way mirrors, wiretaps, psychological testing, mail surveillance, questionnaires and computers are now so common that they have entered into the folklore of contemporary life.

The general public seems indifferent to what is happening, and totally unaware of its consequences. This is tragic, in the historical sense, because of the stakes involved: nothing less than the foundation of our Western civilization. Americans must be aroused to the total threat to privacy that now exists in our everyday lives—not just the snooping, the spying and the eavesdropping, but the collection of secret information by all sorts of organizations. These include credit bureaus, market researchers, fundraisers, insurance companies—even our schools.

The time has come to recognize the fact that when privacy is infiltrated, individual liberty is threatened; and when individual liberty goes, so goes democracy itself.

The Communications Workers of America, as an integral part of our modern world, recognizes that some practices which fall into the category above are considered necessary evils by responsible and fully aware persons. It is obvious that we cannot go back to an economy without credit, without insurance, without equality. But guidelines—perhaps even new laws—are necessary.

One encouraging sign that this serious problem is receiving serious attention has been the investigation conducted in 1965 by Senator EDWARD V. LONG, chairman of the subcommittee of the Judiciary Committee looking into administrative practices. Senator LONG has made an immense contribution to the solution of the problem through his careful and exhaustive investigation. Although some testimony delivered before hearings conducted by Senator LONG made the headlines, there was no public outcry against practices of corporations and governments revealed thereby, and for a while it appeared that the Senator's crusade was a lonely one.

However, just last week, President Johnson himself moved into the picture. He instructed the Justice Department to survey wiretapping practices throughout the Federal Government and to set up guidelines.

We commend this action of the President and earnestly hope that the survey to be conducted by the Justice Department may be extended to eavesdropping as well as wiretapping and from there to the consciousness of an aroused American public.

Only in this way can we stop the mounting attack on privacy and individual liberty.

#### A TRIBUTE TO SCORE—SERVICE CORPS OF RETIRED EXECUTIVES

Mr. RIBICOFF. Mr. President, we all know of the fine work of the Small Business Administration, but I would like to take a moment to shed some well-deserved praise on SCORE, one of its most imaginative and successful programs.

SCORE stands for Service Corps of Retired Executives. It is made up of retired executives who voluntarily donate their experience and expertise to struggling businesses. They are volunteers who work without compensation.

Mr. President, I would like to salute Thomas E. Higgins, regional director of the Small Business Administration, who

has helped make this program such a success in Connecticut.

I ask unanimous consent to have inserted in the RECORD at this point an article by Mr. Higgins published in the August issue of Connecticut Industry which describes this imaginative program which harnesses ability and experience which would otherwise be lost for the ultimate benefit of the entire community.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### SMALL BUSINESS HEARS THE SCORE

(By Thomas E. Higgins, Regional Director, Small Business Administration, Hartford, Conn., Office)

(EDITOR'S NOTE.—The author, a member of the New York Bar and of the Bar of the Supreme Court of the United States, was employed by the Small Business Administration in 1958 and now resides with his family in Glastonbury, Conn. He became the SBA's acting branch manager at Hartford in 1962, was appointed branch manager the following year and, with designation of Hartford as a regional office, was named regional director on April 30, 1965. Mr. Higgins is executive secretary of the Small Business Advisory Council for Connecticut and a member of the American and Federal Bar Associations and of the Export Development Committee, Greater Hartford Chamber of Commerce. He is a director of the Greater Hartford Small Business Development Corporation.)

Alphabetic symbols sometimes obscure as well as describe.

To the average man, for example, SBA is likely to stand for financial assistance to struggling small business enterprises. SCORE is something he finds in the sports section of his daily paper.

Financial assistance is, indeed, one of the major functions of the Small Business Administration. There are others, however. SBA symbolizes far more than the last resort of a troubled entrepreneur.

This is a business-oriented agency dedicated to its job of promoting the economic health of relatively small business firms and the communities in which they operate. It can be and wants to be helpful in a great variety of ways. More and more businessmen, although not in trouble and unlikely to be, find the SBA a good outfit with which to become better acquainted.

As for SCORE, limited public awareness is understandable. This SBA-directed activity is scarcely a year old. The letters stand for Service Corps of Retired Executives. It is made up of men with years of practical experience and top executive skills in the field of successful business management, both large scale and small. They are volunteers. Their mission is to provide effective, sympathetic management counsel to small firms which cannot presently afford to engage a consultant on a fee basis.

#### TALENT WELCOMES CHALLENGE

Why should they take on new problems when they might be taking life easy? Obviously not for money. But they have an abundance of energy and talent—plus time which had not been available to them before. They feel, and the Small Business Administration agrees, that they can make significant personal contributions to small businesses in their areas and thus to the prosperity of their State and the communities.

The talent, incidentally, need not be taken on faith alone. Every retired executive who makes his services available to the SCORE program has a record of managerial experience which is verified before he takes his

first assignment. Whatever his special field, it is known that he has been doing a professionally competent job for years. This habit of competence now is carried to his volunteer work for others.

The Service Corps of Retired Executives was initiated by SBA in the fall of 1964. It is nationwide in scope and limited in specific areas only by the number of qualified men who volunteer to serve. Connecticut provides an excellent case history, both of the need for such an organization and of the manner in which it functions.

It is estimated, for instance, that more than 400 small businesses may be expected to fail each year in this State. There may be other contributing factors but many failures are caused by deficiencies in the area of management. The shortcomings often are slight—perhaps lack of experience in a single phase of the operation—and many failures are considered an avoidable waste of money and human resources.

Connecticut, too, is a growing State with approximately 75,000 small concerns now and an estimated 10,000 more expected. Historically, one out of two new businesses will fail before the end of its first year and we can ill afford such heavy economic casualties.

While directed by and responsible to the Small Business Administration, SCORE is encouraged to be as autonomous and self-operating as circumstances permit. Sections where sufficient manpower is available may organize chapters which work closely with small enterprises in their own areas, requiring minimum supervision by the SBA regional office and relieving it of much administrative detail work.

In Connecticut, for understandable reasons, the southwestern part of the State has the greatest number of retired executives able and willing to engage in this activity. It has the State's first independent SCORE chapter—the Fairfield County area, chapter No. 41—which was formed on May 12, 1965. As do all others, this operates under SBA sponsorship and its first chairman is Robert Vollenweider, 44 Burchard Lane in Rowayton, Conn.

Mr. Vollenweider states that the new Fairfield County group, in addition to answering specific requests for help, intends to explore all avenues to assist eligible small firms in its area. He has urged retired executives and managers of small business to volunteer and join the chapter, contacting him at the Rowayton address indicated.

#### POLICY FRAMEWORK

Qualified men also serve elsewhere although not yet in sufficient numbers to permit equally complete chapter organizations. If the need and eligible personnel are greatest in the State's larger cities, there are opportunities to serve in all sections of Connecticut.

In expanding SCORE in all areas, the SBA will welcome more inquiries from retired executives in other counties. Prospective volunteers can present their qualifications to the staff of the Hartford regional office with interviews arranged to suit their convenience.

The Hartford office, at 450 Main Street, also may be contacted by small concerns wishing to avail themselves of this consultant service. It is limited at present to firms having 25 or fewer employees on the assumption that larger companies are in a better position to afford paid professional counseling.

No charge is made for these services rendered during the first 90 days (unless the volunteer counselor is put to some out-of-pocket expense in the firm's interest). If further services are required of the counselor after this 90-day period provided by SCORE, they often can be arranged by private negotiation between the individual parties concerned and under terms to which they are mutually agreeable.



## MORE THAN MONEY

The Small Business Administration was established by the Congress in 1953 and charged with responsibility to "aid, counsel, assist, and protect insofar as possible the interests of small business concerns, in order to preserve free competitive enterprise."

This does include financial assistance. Not long after the agency was established, for example, approximately \$15 million in loans payable over terms up to 20 years at interest of 3 percent per annum were granted to victims of Connecticut's 1955 flood disaster. SBA also supplements through long-term business loans, the commercial financing made available by local area banks.

In addition, the agency conducts a broad program of management and technical assistance, seminars, and help to small firms seeking government contracts. It locates subcontracting opportunities for many, assists in new product development, and on marketing problems.

The Small Business Administration, in fact, touches all everyday problems of such companies. Decentralization and the reduction of red tape have given SBA a depth of understanding and increasing flexibility in adapting its diverse facilities to the changing needs of Connecticut small businesses.

SCORE is one and could not have been created by legislation alone. Wholly dependent upon willing contribution of personal effort by volunteer counselors, it simply channels into genuinely useful areas the broad experience and still sharp managerial skills of these men who, although officially retired, have a spontaneous wish to continue significant roles in the economic health of State and Nation.

SCORE does its work quietly but with impact which clears up any air of alphabetic mystery.

Mr. RIBICOFF. Mr. President, I would like to further insert at this point in the RECORD this list of names and addresses of Connecticut retired executives who "would rather light a candle than curse the darkness."

There being no objection, the list of names and addresses were ordered to be printed in the RECORD, as follows:

## SERVICE CORPS OF RETIRED EXECUTIVES

Aldrich, C. W., Darien, Conn.  
 Alvord, C. H., West Hartford, Conn.  
 Anderson, A. H., Bridgeport, Conn.  
 Armstrong, H. W., Short Beach, Conn.  
 Barnum, Starr, New Haven, Conn.  
 Baue, Fred D., Orange, Conn.  
 Berthold, Robert, Wethersfield, Conn.  
 Black, Malcolm, Greenwich, Conn.  
 Blanchard, Stanley A., West Granby, Conn.  
 Blum, Walter C., Stamford, Conn.  
 Bonia, Edward C., Norwalk, Conn.  
 Brown, Jarvis W., West Hartford, Conn.  
 Brundick, Ralph W., Canton, Conn.  
 Bushman, Robert, Greenwich, Conn.  
 Collins, William H., Darien, Conn.  
 Cooper, Donald B., Westport, Conn.  
 Cordley, Christopher M., Colebrook, Conn.  
 Cronham, Evert, Stamford, Conn.  
 Downs, F. R., Kensington, Conn.  
 Dubitzky, Joseph, West Hartford, Conn.  
 Duffy, L. Edward, Greenwich, Conn.  
 Eckstrom, Lawrence, Essex, Conn.  
 Eplett, Albert, Stratford, Conn.  
 Finger, William L., New Canaan, Conn.  
 Fraser, J. MacGregor, West Hartford, Conn.  
 Funke, Rudolph, Greenwich, Conn.  
 Gilbert, John H., Waterbury, Conn.  
 Hughes, Harold V., New Haven, Conn.  
 Hurley, W. Miller, Woodbridge, Conn.  
 Krajcik, Paul, Fairfield, Conn.  
 Martin, W. A., Westbrook, Conn.  
 McKay, Hugh M., Mystic, Conn.  
 McNeil, Ronald S., Easton, Conn.  
 McNeill, Winfield I., West Hartford, Conn.  
 Meulendyke, S. L., Wilton, Conn.

Miller, Paul B., Redding, Conn.  
 Newton, Floyd I., Madison, Conn.  
 Osias, Jack I., Cheshire, Conn.  
 Pelton, Henry V., Kensington, Conn.  
 Prentiss, A. M. (General), Hartford, Conn.  
 Reinhold, Frank M., Watertown, Conn.  
 Robins, Joseph M., Stamford, Conn.  
 Robinson, Mathew, Stamford, Conn.  
 Santillo, William, Stamford, Conn.  
 Seligmann, Sidney, Newtown, Conn.  
 Simpson, Herbert, Stamford, Conn.  
 Skelly, John F., Jr., Greenwich, Conn.  
 Spencer, George H., Litchfield, Conn.  
 Springer, Rudolph O., Norwalk, Conn.  
 Stewart, Walter, Greenwich, Conn.  
 Swenson, Oscar J., Killingsworth, Conn.  
 Thompson, Nelson, West Redding, Conn.  
 Tomkinson, Charles, New Canaan, Conn.  
 Vollenweider, R. W., Rowayton, Conn.  
 Wachtel, Arthur S., West Hartford, Conn.  
 Warner, Sidney E., West Hartford, Conn.  
 Wentworth, Howland, Sherman, Conn.  
 Winer, Jack A., West Hartford, Conn.  
 Worth, Arthur, Hartford, Conn.  
 Young, Gustaf, Branford, Conn.

## THE POVERTY PROGRAM

Mr. MURPHY. Mr. President, perhaps two of the best descriptions of the Senate debate on the poverty program are articles by Fulton Lewis, Jr., and Holmes Alexander, two highly respected columnists on the Washington beat. As the conference report is due in the near future on this bill, I think it would be to the advantage of every Senator to review the crucial points of our debate by reading Mr. Lewis' and Mr. Alexander's comments and for that reason, I ask unanimous consent that the articles be inserted into the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

## DOMINICK ATTACKS JOB CORPS BUDGET

(By Fulton Lewis, Jr.)

WASHINGTON.—The Great Society is a sick society.

Senator PETER DOMINICK last week told his colleagues about an Indiana youngster who graduated first in his high school class. The boy is now serving under enemy fire in South Vietnam.

The soldier's brother is a high school dropout who has repeatedly been in trouble with the police. He is now enrolled in the Job Corps, running a power mower.

The GI makes \$78 a month; the high school dropout, \$200.

DOMINICK marshaled opposition to the Economic Opportunities Act of 1965, a fancy-titled piece of legislation that gives Sargent Shriver more than \$1.6 billion with which to fight the war on poverty.

On several occasions, the Colorado Senator very nearly won substantial improvements in the administration bill. But the votes of two Republicans, JACOB JAVITS and CLIFFORD CASE, repeatedly gave the Democratic leadership narrow victories.

DOMINICK, considered by many the most impressive young Republican in Congress, fought a gallant fight to slash \$630 million from the antipoverty budget. Had the Dominick amendment been approved, Sargent Shriver would still have had 38 percent more money than he was given last year.

But administration lobbyists cracked the whip and defeated the Dominick amendment by 11 votes. There is no doubt, however, that Shriver's Office of Economic Opportunity has become a national scandal, that millions of dollars have been squandered in shameless fashion.

DOMINICK revealed that lavishly paid bureaucrats have found a haven in the OEO.

One of every 19 antipoverty staffers makes over \$19,000 a year. In the Department of Defense, by comparison, the figure is one in 1,000. In the Department of Agriculture, it is one in 500.

Republican members of the Senate Labor and Education Committee learned that plush antipoverty jobs are dispensed as virtual political patronage. One loyal Democrat now occupying a war on poverty command post in the Far West was jailed in 1960 for violation of election laws. A year later, in 1961, he was again imprisoned this time for falsifying documents.

Waste is rampant throughout the program. For instance, Senator JOHN WILLIAMS, of Delaware, revealed that antipoverty officials in New York City received \$230,000 in Federal funds last December.

The bureaucrats then adjourned to a plush resort for a lavish celebration at which plans were mapped to curb juvenile delinquency. In 2 days, the antipoverty officials spent \$2,168.26 in Federal funds for food, booze, and accommodations.

One of the bureaucrats charged \$63.20 in flowers to the Government. Another, a \$12,500-a-year man, found himself without a tuxedo. Hence he ran out and rented one, with Uncle Sam picking up the \$12.85 fee.

Senator WINSTON PROUTY, Vermont Republican, told of waste in the highly touted Job Corps centers:

"Seamstresses are hired to remake clothes for Job Corps girls who are supposed to be learning to sew, maids are hired to make the beds of Job Corps girls who are supposed to be learning practical housemaking, and construction gangs are hired to spruce up abandoned forest camps for boys who are supposed to be learning basic skills in carpentry and plumbing."

Senator DOMINICK terms disgraceful the \$80 "bounties" the Government pays private employment agencies for recruiting Job Corps members. He cites one report that "some agencies, in order to collect as many \$80 fees as possible, often conceal from Government 'screeners' the fact that some applicants have criminal records."

In case after case, DOMINICK says, Job Corps enrollees are later discovered to have imposing criminal records. Discipline is a major problem at Job Corps centers throughout the country.

Five enrollees at Texas' Camp Gary were arrested in connection with the holdup shooting of two young airmen they had never seen before. Seven Corpsmen at Indiana's Camp Atterbury were arrested and charged with a sexual attack upon another enrollee. Indiana newspapers report that youths from Camp Atterbury have attempted to buy guns while on leave from the camp.

COLORADO'S PETER DOMINICK—REPUBLICAN  
WORTH WATCHING

(By Holmes Alexander)

Senator PETER DOMINICK, Republican, of Colorado, is a straight-as-a-lance, salt-and-pepper-haired product of New England, Yale University, 1937, and the World War II Air Force. He hopes to run for Senate reelection in 1968, and does not take any more seriously than Barry Goldwater did in the early 1960's the suggestion that a GOP presidential nomination might seek him out.

DOMINICK first came to national attention at the Republican Convention of last year, when he was one of the standup fighters against resolutions to water down the high proof content of the GOP platform. Just prior to the convention he had engaged in a slugfest against the Senate peacemongers, notably another World War II Air Force product, Senator GEORGE MCGOVERN, Democrat, of South Dakota, who had been elected on ban the bomb contributions. Early in the present session, DOMINICK took on the administration juggernaut in extended debates—one on gold coverage and one on the

extravagance of an education bill—in which he was supported in each case by only 16 Senate votes.

But here in August, as leader of the opposition to President Johnson's pet project, the antipoverty Office of Economic Opportunity Act, DOMINICK has been consistently getting an average of 40 Senate votes to reform the runaway program.

In order to see the general proposition on which the Colorado Senator has been carrying all but one or two of his Republican colleagues and bringing over a dozen or so of the 68 Senate Democrats, let us briefly analyze the indictment he has leveled against the war on poverty.

He has said that he would like to support any bill that offered a workable "mechanism" to abolish poverty. But he found he could not vote \$1.650 billion (an increase of \$700 million over last year's figure) to endorse a program that he found "blatantly political" and "fraught with blunders." He said his own State had not been hit with the scandals that took place in Florida, Indiana, Oregon and elsewhere, but that many Colorado communities did not care to risk the "violence and immorality" that Job Corps centers had brought into other regions.

DOMINICK thought it a mockery that poverty administrators were getting plush salaries of around \$20,000 a year while so very little was being accomplished for the needy. He found the ratio of supervisors-to-workers to be 1 to 18 in the war on poverty, while it is only 1 to 1,000 in the Defense Department, and only 1 to 500 in the Agriculture Department, where supervisors of farm programs are getting to be almost as numerous as farms.

The Senator thought that much of the trouble came from having a part-time poverty czar in Sargent Shriver, who is also director of the Peace Corps, and from the overcentralization of power in Shriver's office. DOMINICK blamed the Los Angeles riots, in part, on the vacuum created by the power struggle between Washington and the poverty-hit communities. The next day Los Angeles Mayor Sam Yorty, Democrat, fired a telegram to Shriver which confirmed the Dominick diagnosis of the riots.

With DOMINICK's bill of particulars before them, the Senators began voting on corrective Republican amendments—to cut the funds, to investigate the poverty program, to divest Shriver of one of his jobs, to restore the gubernatorial veto.

#### SENATOR BYRD OF WEST VIRGINIA WRITES ABOUT ADULT EDUCATION

Mr. HARTKE. Mr. President, our colleague from West Virginia, Senator ROBERT C. BYRD, is properly noted as a "distinguished alumnus" of American University in that institution's alumni magazine, *Lodestar*. He was undoubtedly the most distinguished member of the graduating class of 1963, when he received the degree of bachelor of laws, cum laude, at a time when the problems of securing additional formal education while so heavily and responsibly occupied as is any Member of the Senate would have deterred many another man.

Senator BYRD was the speaker at an alumni day luncheon on the American University campus in May, choosing as his topic "Adult Education Now." His address pointed up the growing need for programs of continuing education, and for their development through our universities themselves. He noted the formation at American University of its new College of Continuing Education, which

is performing an important service to the Washington area. But more importantly, he made some wise and pertinent observations on the necessity in the midst of change for such developments.

Mr. President, I ask unanimous consent that the summation of his remarks, now appearing in print in the summer issue of *Lodestar*, be printed in the *RECORD*.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

#### ADULT EDUCATION NOW—CHALLENGE FROM A DISTINGUISHED ALUMNUS

(By Senator ROBERT C. BYRD)

Thousands of years ago, an aged and wise Greek philosopher sat in his garden deeply engaged in studying geometry. One of his pupils, in amazement, approached the philosopher, Lacydes, and asked him why at his extreme age, he should study the subject. He replied: "If I should not be studying now, when should I be?"

Lacydes answer was, it is true, given many centuries ago in a country very different and very far from modern America. Yet this answer as to why an old man should continue learning sounds as new and up-to-date as if it had been given in 1965.

Today the idea of education has expanded far beyond something which is necessary only for children or college students who must prepare for professional careers. Today, we in America are more and more considering learning as a formal process which can, and should, continue into adulthood, and even until and through old age.

Institutions of higher learning and communities throughout the land are starting and expanding adult education programs of every type. And, it seems to me that American University is particularly committed to this idea of continuing learning. As evidence, this year, American University opened a new school which testifies to this commitment—the College of Continuing Education.

This college is not brandnew. For many years, American University's division of general and special studies has helped to meet the great need for adult education in the Washington area by offering a variety of courses on and off campus. This new college was, I understand, quite naturally an outgrowth of this division. Yet I do not think it is highly significant that this year the division was finally made into a separate college.

By creating the College of Continuing Education, I believe the university, in effect, has raised the status of continuing education by making it clear that adult education, far from being an educational "stepchild," is a legitimate and valuable university activity.

Continuing education is a concept which, as American University's school so well illustrates, is going to grow increasingly important in American education. Along with many others, I feel the need of adults to learn is going to be more and more considered by those who plan for educational programs both in colleges and universities and in communities at large.

There are excellent reasons for thinking today about adult education because the whole subject is growing and will continue to grow in importance in American education. Why is this so? And what will this mean for American learning? Why is continuing education becoming important?

Basically the answers lie in the changing character of our social and economic life that causes our Nation to be in such great need, at this very day for educated citizens. The times are changing at such a rapid pace it is hard to keep up with the basic things that are happening, much less what is best to do in order to adjust.

There are rapid changes, too, in ideas. The very structure of our economy is so complex now that it staggers the imagination. Old words like "supply and demand" and "production and distribution," that once neatly fitted in pairs, have become too intertwined for any differentiating analysis except by the most intricate formulas.

Our scientific progress in the past 50 years has been phenomenal. As President Johnson points out:

"The National Science Foundation tells us that of all the scientists who have lived since the dawn of history, more than 80 percent are living and working today. Of all the research that has been published, more than half has been produced since 1950. The big commercial jet passenger airliners extend from nose to tail a greater distance than the entire first flight of the Wright brothers' plane."

In the humanities, too, we are rapidly changing our outlook. There was a time when the material in an ancient history book could fairly well be considered established fact, but not any more. The constant discoveries made by archeologists and anthropologists are causing us frequently to reinterpret not only recent history, but even the earliest civilizations.

The arts are changing not only in the ideas they reflect, but also with the invention of new techniques and mediums. Concrete has become a standard building material for architects; musicians are working on electronic arrangements, and photography and films have won an accepted place as full-fledged art forms.

The field of world politics has become increasingly complex with the development of new nations, with power struggles through economies and propaganda, and with increasingly closer knit communications, travel and trade.

If our Nation is to keep anywhere near the pace of these changes in industry, economy, and culture, it must have citizens who constantly expand their knowledge through education. The questions now facing us as a Nation and as individual citizens are: What can education do to supply our country with this kind of people? What can we as individuals do to keep pace educationally?

To keep up with rapidly accumulating information in almost every field, professional and semiprofessional personnel in a host of occupations will need, in future years, to have available to them advanced courses and learning opportunities.

These continuing educational needs will probably be met, in part, by the field and industries themselves. For example, in-service training and industry seminars may be conducted to keep people in the field abreast of new advances. But these sources alone will not be able to do the whole job. Universities, colleges, and other community learning agencies will have to assume much of the responsibility for arranging and running new professional programs.

Vocational and professional training is not the only function of adult education. Citizens in all occupations increasingly are searching to broaden their general knowledge. They wish to be better informed; they want to fulfill their civic obligations more progressively; and they feel the obligations of their social consciousness.

Housewives who left the schoolroom long ago and who are finished with the major part of child rearing are eager to return to the classroom and catch up with new knowledge. Older people and retired citizens are interested, now that they have time, in going back to school to study the things they never had a chance to study when they were working fulltime. And even hard-working men and women want to pursue education to learn new skills and deepen their general understanding by acquiring new knowledge.



The learning that continued education makes possible for these groups can be of great benefit to the individual. It may broaden his knowledge and make him a more aware and intelligent person. But it can also do a great deal for our Nation for it provides the country with a way of assuring that its adult citizenry remains alert and well-informed. Such a citizenry is a prerequisite for the continued health of our Republic.

Continued learning can also add to the spiritual or human health of our Nation. As we have more leisure time, as we surely will have in the coming decades, people are going to have more time both to think and act. There is at present a great danger that much of this time for many people will become wasted time, or time spent on unrewarding and essentially empty triviality. If this happens, I believe the human quality of our national life will suffer greatly and, eventually, our Nation will suffer.

Education can do much to avert this danger. Through continued learning, people can use their new-found time constructively. They can learn skills and develop interests that can lead to creative and rewarding vocations. And they can be led to discover the deeper and richer values which will make them happier individuals and make our country a richer Nation.

To meet these needs colleges and universities will have to expand their programs of continuing education, as American University has done this year. Community colleges will have to add appropriately advanced courses. High schools will be pressured to expand their night work. And elementary schools will have to grow into community schools where persons of all ages will be provided with learning opportunities.

Much of the cost of this increased adult education will undoubtedly be borne by the colleges and universities themselves and in case of public schools, by the States and local communities. But the Federal Government is also ready to assume its part of the responsibility for supplying financial support and leadership for this kind of education.

In recognition of the growing importance of adult education Congress would provide a generous amount of aid for a 5-year program to build university extension and continuing education in the proposed Higher Education Act of 1965.

Under this legislation approximately \$25 million would be spent in fiscal year 1966 alone to help universities build extension programs. These programs would, among other things, be designed to help universities run courses that would assist communities in solving some of their problems in housing, poverty, government, transportation, recreation, employment, and providing youth opportunities. Money would be spent in making grants and contracts to aid colleges and to develop more effective methods of teaching these areas, particularly in their continuing adult education extension programs.

With continued support of its program in continuing education this university can become a living testimonial to the truth that learning need never stop—that the commitment of the academic community is to see to it that there should be opportunities for education always. Because of its ideal location, American University could well become a model institution for continuing education in the Nation.

(EDITOR'S NOTE.—Senator ROBERT C. BYRD, Democrat, of West Virginia, addressed the Alumni Day luncheon on campus in May, and the preceding article is a summation of his remarks.)

(Senator BYRD, who received his law degree cum laude from American University in 1963, was elected to the Senate in 1958. He has held more elective legislative offices than any other West Virginian in the State's history,

serving first in the West Virginia House of Delegates, then in the West Virginia Senate. He became a U.S. Representative in 1952 and is currently serving his second term as U.S. Senator.)

(While rising in the legislative ranks, BYRD has maintained another career—that of a student.)

(Twenty-nine years after the 16-year-old Stotesbury boy picked up his valedictorian's diploma, he won his law degree. The years in between tell the usual story of marriage, family, and job promotions, but with an added dimension. The young man kept going to school. Apparently, each time he won new elective office he enrolled in another institution.)

(Legislator BYRD studied at West Virginia's Beckley Junior, Morris Harvey, and Concord Colleges and Marshall University; Congressman BYRD went to George Washington University and Senator BYRD went to American University.)

### SEEK OUT TO SAVE

Mr. BREWSTER. Mr. President, the Baltimore Sun carried an editorial yesterday praising President Johnson's new doctrine of conservation.

The praise is well deserved, because the President has demonstrated his keen interest in conservation matters.

As the Sun points out, the President has correctly stated the problem that exists and he has clearly outlined his program—"to seek out what can be saved."

I was privileged to hear the President's remarks to which the editorial refers. I, too, was impressed by his total dedication to the ideals of conservation and his awareness of the need for adequate recreation areas.

There can be no doubt that in a country where our urban growth consumes millions of acres of farms and forests annually we have little time to lose if we are to preserve green open spaces and park lands for the future.

Mr. President, I ask unanimous consent to have printed in the RECORD this editorial entitled "Seek Out To Save" praising President Johnson's conservation policy.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### SEEK OUT TO SAVE

The process of acquiring some land is still to be gone through, and certain development plans, including a strictly limited private development, will take time, but with a presidential signature yesterday Assateague Island is saved. Its saving is important not only to this State and this densely peopled region—it was the only remaining undeveloped stretch of seashore between Massachusetts and North Carolina—but is significant also for the country, as an omen.

"We are declaring a new doctrine of conservation," Mr. Johnson said at the signing ceremonies. "I intend to seek out what can be saved."

Rarely can a national policy be stated so well and so fully in so few words. That is what the policy must be: not to try to turn the whole United States into a vast recreation area, which would be impossible, and not even necessarily to preserve everything that could be called by stretching the imagination a "natural scenic wonder," but to seek out selectively the unique places which simply must be saved, lest we become history's most affluent junkpile.

Such a unique place is Assateague, and the struggle to save it has been so long, and has

drawn so much attention, that its clean winds today can reasonably be said to blow over the country.

### CRITICISM OF USE OF FUNDS BY JOB CORPS

Mr. WILLIAMS of Delaware. Mr. President, it appears that the Job Corps has taken on a new responsibility. On September 16 and 18, 1965, the Missoulian-Sentinel published articles calling attention to the fact that the Job Corps had advanced the money for a \$2,500 bond and employed an attorney to defend Manuel Martinez, one of its trainees, who had been charged with assault involving the shooting of a woman in a South Billings barroom and later firing at a Billings policeman.

The articles criticize the Job Corps for advancing the \$2,500 bond plus attorney fees to defend this individual as compared with the treatment which would have been extended to a member of the Armed Forces under similar circumstances.

This is another example of the contempt which the officials of the Great Society have for the taxpayers when we find them using taxpayers' money for any such unauthorized purposes.

I ask unanimous consent that both of the articles published in the Missoulian-Sentinel by printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Missoulian, Sept. 16, 1965]

### ATTORNEY QUESTIONS BOND FOR JOB CORPS TRAINEES

BILLINGS.—Yellowstone County Attorney John Adams charged Wednesday that bonds posted by the Federal Government for Job Corps trainees constituted a "questionable precedent" of granting a special privilege to a select group.

Adams was commenting on a \$2,500 bond posted by the Job Corps for Manuel Martinez, 18, a trainee charged with first- and second-degree assault in district court here. "The attorney's fee (which the corps is also paying) isn't an issue," Adams said.

"Montana will appoint a paid lawyer for any man charged with a felony," he said.

Adams said the posting of a bond for any man by the Government, State or Federal, is something completely new in his judicial experience. "I recognize that Washington is the great white father," Adams said, "But I didn't realize that its responsibilities to its children went this far."

"It's an extension of a privilege to members of a group which to my knowledge is not extended to any other group of people under the patronage of Washington," Adams said.

The county attorney said it made no difference to him as the prosecutor who posted the bond, but he said he privately thinks that the action constitutes a misuse of tax dollars.

Police Chief John Bevins feels the same way. "I'm stumped," he said when asked to comment on the bond. "It came as a surprise to me," said Beven, who wondered why the same courtesy isn't accorded a member of the Armed Forces. "Nobody balls out a soldier who's been charged with fighting in a bar," the chief said.

District Judge Guy C. Derry declined comment on the action because he felt it improper for a judge to do so, but Derry did say that he understood the Job Corps has asked Lawyer Arnold Berger not only to defend Martinez, but to appeal if necessary.

[From the Missoulian-Sentinel,  
Sept. 18, 1965]

#### JOB CORPS OFFICIALS DEFEND BOND POSTING

**BILLINGS.**—Federal posting of bond and paying attorney fees for a Billings member of the Federal Job Corps accused of assault is defended by antipoverty officials here.

They say the Job Corps is obligated to protect the rights of corpsmen.

The Job Corps sent \$2,500 bond to release Manuel Martinez, 19, charged with the first-degree assault. He was accused of shooting a woman in a southside Billings bar and firing at Billings policeman Robert Pace 2 weeks ago.

Robert Furman, youth center director in Billings, said it is correct for the Job Corps to provide legal service for Martinez. The volunteers are sworn in much like military personnel, he said.

But Furman said he has seen no regulations which specifically state the Job Corps can post a freedom bond.

Yellowstone County's Community Action Director Carl Taute believes publicity given the Martinez case is wrong. He said the Job Corps is doing no more than the military would do for its members.

Clarence Nybo, Montana unemployment office manager for the Billings area, said the Martinez incident is not the first for the Job Corps.

Nybo said it is a question of protecting an individual's rights.

"They don't do that in the military service," he said about posting bond.

County Attorney John Adams called it a precedent. He said he didn't think responsibility for Job Corps youths should include posting bond.

Some believed it is a misuse of tax dollars.

#### TAX CREDIT FOR COLLEGE EXPENSES

**Mr. RIBICOFF.** Mr. President, the basic need for S. 12, providing tax credits for college expenses, receives added emphasis by the September 20, 1965, issue of U.S. News & World Report. That issue contains the estimates of the College Scholarship Service that will be widely used by the colleges and universities in considering applications for scholarships and other financial aid. You will note that a man with a gross income of \$6,000 with a wife and one child in college and no other dependents, is expected to contribute \$790 a year from his income before his child is entitled to scholarship assistance. When you consider that such a person earning \$6,000, taking the standard deduction, pays an income tax of \$552, leaving only \$5,448, you can imagine the burden on such a person.

The same person earning \$8,000 has a net income of \$7,114, out of which he is expected to pay \$1,290 toward college expenses.

I am sure that an examination of this table will show most graphically, the average American family's real need for relief from the tremendous burden of growing college expenses. Sixty-two percent of the benefits under S. 12 goes to families earning between \$3,000 and \$10,000.

I ask unanimous consent that this article be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.—How much can a family afford to spend on a child's college

education, in relation to income and other dependent children still living at home? You get an idea from a new set of estimates that will be widely used by colleges in considering applications for scholarships and other financial aid.

#### SPENDING ON COLLEGE

The estimates are those of the College Scholarship Service. The CSS assists many major universities and colleges in determining which students are entitled to first call on available financial help. The following table shows amounts that families are expected to contribute annually from current income if they have only one child in college:

Income before taxes	Number of other dependent children in family—				
	None	1	2	3	4
\$4,000.....	\$290	\$100			
\$6,000.....	790	550	\$350	\$220	\$130
\$8,000.....	1,290	980	740	570	440
\$10,000.....	1,860	1,490	1,150	920	750
\$12,000.....	2,450	2,050	1,650	1,370	1,130
\$14,000.....	3,200	2,680	2,220	1,890	1,590
\$16,000.....	3,970	3,360	2,850	2,470	2,130

#### OTHER FACTORS

The table is used only as a general guide, and each college has its own set of rules. Adjustments are made for other factors; such as a student's summer earnings, family savings, or other assets, more than one child in college at the same time, or unusual medical expenses.

#### GUIDE

A new guide by the College Scholarship Service on budgeting for college costs, and ways of financing them, will be available free within a week or two from public and private high schools throughout the Nation. Ask for: "A Letter to Parents: Financial Aid for College."

#### TRIBUTE TO EUGENE M. ZUCKERT, ON HIS RETIREMENT AS SECRETARY OF THE AIR FORCE

**Mr. McNAMARA.** Mr. President, at the end of this month, Eugene Zuckert will retire as Secretary of the Air Force.

For more than 4½ years, Secretary Zuckert has guided the Air Force and has contributed much to making it a powerful arm of our military strength.

I have not had the good fortune to work with Secretary Zuckert on legislation, as I am not a member of any committee dealing with defense matters.

However, there have been frequent opportunities to contact his office on matters involving the Air Force in my State, and I have always found Secretary Zuckert helpful and cooperative.

I am pleased to join his many friends in Congress and the Defense Department in thanking him for his service, and wishing him every good fortune in the future.

#### SALUTE TO THE REPUBLIC OF MALI

**Mr. HARTKE.** Mr. President, I wish to offer my compliments and best wishes to the Republic of Mali as it celebrates the fifth anniversary of its founding and independence.

Mali, however, is hardly a "new nation," for its people have a long and rich history. Indeed, the Republic takes its name from the old Kingdom of Mali which reached its height in the 14th and

15th centuries, before the discovery of America.

Today under the leadership of President Keita, Mali as a sovereign state exercises her rights and responsibilities in the international community, committed to a positive policy of nonalignment and an active participation in African regional affairs. In October 1963, for example, President Keita hosted a meeting of Moroccan and Algerian leaders which led to a cease-fire agreement in the border conflict between the two countries. Such constructive efforts in foreign relations can only receive applause from those dedicated to a peaceful world community.

It is my sincere wish that our two nations may enjoy friendly relations based upon mutual respect. I know that many Americans share this wish and join with me in saluting the people of Mali as they celebrate the anniversary of their Republic.

#### WHY VIETNAM?

**Mr. INOUE.** Mr. President, at 5:45 a.m., daybreak on the first day of September 1939, German armies poured in mass across the Polish frontier and moved toward Warsaw. That is the date upon which history records as the beginning of the calamity of World War II. The war soon established a record of man's inhumanity against himself; it lasted 6 years and killed over 6 million men, women, and children.

But it is a mistake to remember September 1 as the beginning of the war, for the movement of events which began as dawn broke on the low-hanging clouds of that gray and sultry day had been set in motion several years before. The events which decide what men will later call fate, because of the fact they are irrevocable once set in motion, had long since taken place. The decisions had been made. All that remained to be done on that September 1 was to play out the tragedy, the inevitability of which had already been determined. It began, perhaps, on March 7, 1936, again at dawn, when a small force, no more than three battalions, crossed a river and entered the demilitarized zone of the Rhineland. The German troops engaged in this maneuver were under orders to retreat across the Rhine if they met any resistance whatsoever. They met none. General Gamelin, of the French High Command, it is reported, "advised that a war operation, however limited, entailed unpredictable risks and could not be undertaken without decreeing a general mobilization." And when the French Foreign Minister flew to London to beg the British Government to support a military counterattack in the Rhineland, his pleas were ignored. As the British Foreign Secretary told the House of Commons:

Occupation of the Rhineland by the Reichswehr deals a heavy blow to the principle of the sanctity of treaties. Fortunately, we have no reason to suppose that Germany's present action threatens hostilities.

Two years later came the Anschluss, the so-called rape of Austria; then the Munich agreement wherein the Western



Powers surrendered Czechoslovakia to the Fuehrer in return for his promise that it was to be his last territorial demand in Europe.

At any of these points, although with increasing difficulty at each one, I think most historians would agree the Western Powers could have stopped Germany by the use of readily available force. The failure to respond to each aggression when it came, insured that there would be further aggression, and that the price, when ultimately paid, would be high.

Yet the actions of well-meaning leaders which we see as so clearly mistaken today, surely must have seemed to many at the time as the course of patience and of reasonable accommodation with a man who might have taken what he was given and been satisfied.

The meaning of all this, when related to the present situation in Asia, is of great significance and has been remarked upon before. The lesson, I believe, constitutes the essential reason for our presence in Vietnam. In the debate on Vietnam we have heard that this small country is not within our sphere of vital interests, strategically or militarily. We also hear that the Vietnamese people themselves would rather we were gone and would prefer to be ruled by their northern comrades than to suffer a continuation of the brutal civil war which they have suffered under for as long as most of them can remember. "Of course, we must stop the Communists," we are told, "but why in Vietnam? The location puts us at a severe military disadvantage, the chance of real success is slim, and even if we are successful, geographical realities makes eventual Chinese domination inevitable." Some of these things, perhaps, are true. When one fights a war, it is generally in the wrong place and at an inconvenient time, and the people who live on the battle-grounds understandably grow weary of hunger, blood, and death. As far as being strategically or militarily important, my own judgment would be that Vietnam is neither of these things to us, and defined in these terms, is clearly not within our sphere of vital national interests. As to the other argument, that even if we achieve some kind of military and political stability there, China is so near that eventual Chinese Communist domination is certain, I would not agree, and I doubt whether those who make this argument would be as willing to say that Cuba will one day be a democracy as well.

If there has been a mistake in Vietnam, and I am not yet willing to admit that there has been a mistake, it was made at the beginning; at the point when the number of Americans and the extent of our financial and other involvement made it appear that the United States had decided a serious effort would be made to keep the country from falling under Communist control. I say this because one can reach that point without having made the decision of a full commitment. Nevertheless, if the enemy then engages you and an issue is made, you will never have the opportunity to decide on a full commitment; you are committed in the eyes of the

world, and you only decide whether to fight and stand by that commitment or to back down. That is what happened in Vietnam. The decision was made that a serious effort would be expended to keep the country independent. At that point we placed ourselves at the whim of developments, and when the issue was made, we had no choice, except to fight to an acceptable solution, or to back down. The decision to make a substantial effort in the first place was where the error, if any, was made. We could have ignored Vietnam from the beginning. We could have avoided sending money and "advisers" and have let the country's future be determined by other forces, which would have been communistic, of course. We could have done what we did in Tibet, and when that country was invaded in one of the most arrogantly criminal international acts since the Second World War, we could have protested and forgotten about it. Tibet, my almanac says, is seven times larger than South Vietnam, but the first decision was never made there, the decision to support a substantial effort to protect the country's independence. Consequently, when that independence was attacked and destroyed, we were free to let it happen or to fight. Vietnam, of course, is different from Tibet in many ways, and we are in a far better position to bring our military strength into account there.

If we had not focused attention on Vietnam by furnishing money and advisers, it is possible no great importance would have attached to an unopposed Communist takeover. But we were in opposition and to have left when faced with a fight would have revealed a lack of reliability to our allies and a lack of determination to our enemies. The point is this: We are not in Vietnam because of the territory. We are there for two other reasons: The first is because we were committed; the second, because if we did not fight there, we would have to fight elsewhere. Vietnam is not a war over land or strategic position. It is a war of will, a test of the character of the American Nation, and it does not matter that we may think the outcome is not important, for our adversary does, and so do other nations hesitant to commit themselves.

The reaction of England and France to the Rhineland led to Austria; their reaction to Austria, to the Sudetenland; their reaction to the Sudetenland to the takeover of the rest of Czechoslovakia and to World War II.

As Churchill spoke to the American people on October 16, 1938, after Munich, the totalitarian leader, whether Communist or Fascist—"must seek, from time to time, and always at shorter intervals, a new target, a new prize, a new victim. He can go forward; he cannot go back. He must blood his hounds and show them sport, or else, like Actaeon of old, be devoured by them."

Vietnam, perhaps India; and there will be others, until those who live by force come to understand that force no longer works—or until they are destroyed. The willpower of a nation, just as the willpower of a man is the measure of its

strength. There is no rest and there will be no rest, no time when we may rest secure as long as there are powerful nations whose policies are opposed to ours. We do not like war, but it appears that force and war is the only argument our opponents comprehend. Consider the admitted political philosophy of the Chinese leaders who have written that, "political power comes out of the barrel of a gun." Consider the concepts of a government of laws, self-determination, and the dignity of the individual as they relate to such a philosophy.

If we do not fight this war, there will be another, and if we do not fight that one, there will come a time when there is no choice; and the price will be increased accordingly.

The trouble with this war, as with the war in Korea, is that it is an abstract war for the men who fight it and for their families when they die in it. How difficult it must be to leave a country nine-tenths at peace, and go to a hot and uncomfortable land where death is always waiting. How does a soldier feel who must fight, and die perhaps, in a war like that, a war that most of his neighbors and countrymen need not fight in or even think about? How does a man feel to be the one called upon to give that "last full measure of devotion" when the Nation's safety seems secure and the meaning of the war is buried even deeper in incomprehensibles than the meaning of war usually is? But the complaints are not coming from the men who are called upon to carry these burdens.

It seems to me the time has come for an end to the debate on Vietnam, and the time has certainly come for us to accept a responsibility which is now ours and which we could not with integrity or with safety avoid. We are at war and we have no choice except to win it.

Abraham Lincoln said of another war, the meaning and outcome of which had at the time he said it become to many Americans uncertain, that it was a war which tested whether this Nation or any nation conceived in liberty could long endure. The war we are presently engaged in is as great a test of that question as was the war that Lincoln spoke of. Our determination to fight and our will to prevail are in the long view as necessary to the survival of this Nation and its ideals as they were a century ago.

There were many who said then that the war was not worth the price, there were grumbings and even riots against the draft, and there were those who desired peace on any terms.

Freemen have always had to fight to remain free, and there have always been those who saw freemen as their greatest enemy. If this Nation is to fulfill its promise, if it is to confirm its destiny of bringing a greater opportunity toward the fulfillment of men everywhere, we must stand ready for this and every other test. The war in Korea and in Vietnam are the alternatives which tyranny has found in an age where total confrontation means total annihilation. But they are just as much a test of our will to remain free as total war was before. We must meet that test, for if the United States should ever lose its ability to

bring to bear upon the play of world events the determination of men to be free, the force of modern totalitarianism would have it within its power to plunge mankind in a dark age of so great a depth that centuries need pass before the spirit of man could free itself again.

## U.S. BALANCE OF PAYMENTS AND THE DOLLAR

Mr. MUSKIE. Mr. President, one of the most important problems facing this country during the past year has been the continuing large deficit in our balance of international payments. This deficit in other recent years has been balanced by a buildup of holdings of dollar assets by foreigners. These assets have been acquired in part by private individuals and business abroad and in part by foreign governments and central banks. To some degree their increase represented the accumulation of essential working balances and liquidity reserves. At times, however, foreign dollar holdings have moved into the hands of central banks and governments, which have chosen to convert them into gold. In 1965, these conversions have been particularly large, and the U.S. gold stock declined by \$1.5 billion in the first 7 months of this year.

Such a depletion of our gold reserves, following a loss of about \$7 billion in the preceding 7 years, cannot continue indefinitely without endangering the position of the U.S. dollar as the most important and useful instrument of international exchange and monetary reserves for the entire world. The increased foreign claims on dollars have developed from the deficit in our international balance of payments. Last February the President inaugurated a program, based largely on voluntary actions by American businesses, financial organizations, and individuals to reduce the outflow of dollars.

To probe the causes of the continuing deficit and appraise possible measures for correcting it, the Subcommittee on International Finance of the Senate Committee on Banking and Currency has conducted a series of hearings in the course of this session of the Congress. The results of these hearings, together with other background material on the subject of the balance of payments have been published by the committee in two volumes.

An excellent summary of this situation, an appraisal of the results of measures adopted to correct it, and an astute analysis of the world monetary situation and of some of the problems that lie ahead have recently been set forth in a speech by the Honorable Joseph W. Barr, Under Secretary of the Treasury, before a meeting of the National Association of Manufacturers at Hot Springs, Va. Mr. Barr points out that although there has been a remarkable reduction in our payments deficit since early this year, this accomplishment has been in part the result of special factors and cannot be used as a basis for relaxing efforts to maintain a more sustainable state of equilibrium in our international accounts.

I ask unanimous consent to have printed in the RECORD at this point Secretary Barr's speech.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY THE HON. JOSEPH W. BARR, UNDER SECRETARY OF THE TREASURY, BEFORE THE NATIONAL ASSOCIATION OF MANUFACTURERS, AT THE HOMESTEAD, HOT SPRINGS, VA., TUESDAY, SEPTEMBER 21, 1965

Time was when international finance was a subject confined for the most part to the officials of the larger banks, central banks, and the Treasury. Not many people outside this small group understood or cared much about it. Not so today. It is one of the hottest topics going. It seems as though every publication has something to say at one time or another about our balance of payments, gold losses, and international liquidity.

This is a mixed blessing to us in the Treasury. On the one hand, a widespread interest among the public in this important national problem is an encouraging sign of an alert citizenry and ultimately it will be those outside the Government who will be responsible for the solution to our balance-of-payments problem.

On the other hand, the Treasury Department, having the primary responsibility for this area, is the focusing point for this intense public spotlight and we are frequently taken to task and called upon to account for our actions or inactions—as the case may be.

This is fair enough—6 years in American politics has convinced me that criticism and debate can be especially helpful in formulating our national financial policies. But I am concerned that this debate sometimes gets off the rails because the subject matter is novel and complex.

I would suppose that nearly every man and woman in this room has had some academic background in economics. I would suppose that most of us can carry on a good reasonable argument on monetary policy and on fiscal policy. But I wonder how many are fully grounded in the concepts of the international financial mechanism that has largely developed since World War II?

I would venture that most of us could discourse reasonably on the old gold standard that we were taught in college. But how many understand the workings of the International Monetary Fund, the concepts of liquidity and the role of the dollar in international finance? I would suggest to you that these subjects are not academic curiosities. They are on the contrary issues that have an intensely practical application to your businesses and to the role this Nation will play in the world.

Therefore, my address today can be considered more as a paper on fundamentals rather than a statement of policy. Specifically, I will discuss the role of the dollar in the world today, the problem of our balance of payments, its relationship to world liquidity, the administration's approach to these matters, and where we stand today.

As this address is designed more for information than for policy, I shall be delighted to answer any questions that may occur to you at the conclusion of my formal remarks.

### THE ROLE OF THE DOLLAR

When we discuss the American dollar, I think it is important to bear in mind that the dollar serves three roles: as a national currency, as a key (sometimes referred to as a vehicle) currency, and as a reserve currency.

### THE DOLLAR AS A NATIONAL CURRENCY

The first role, as a national currency, is I think obvious to everyone. The dollar in this historic role is our domestic medium of exchange, designed to meet the needs of our

domestic financial transactions. Also, I think most people understand that our domestic money supply must grow over the years as our economy grows. There is some limit on how many times a year you can use a dollar for different transactions, and as the economy grows and transactions increase there is an obvious need for more dollars to keep things moving.

There is not such a clear understanding, however, of the second and third roles, and discussions of our balance of payments and world liquidity sometimes confuse the two.

### THE DOLLAR AS A VEHICLE CURRENCY

We speak of the dollar as a vehicle currency, we refer to its use in financing international trade and payments. The dollar in this capacity is held by private banks, businesses, and individuals throughout the world as a medium of exchange for their international transactions; they use it just as they use their own currencies for their domestic transactions.

Dollars held for this purpose—what we call private foreign dollar holdings—amount to over \$11 billion.

How did it come about that the dollar should serve this role more than any other currency? Robert Roosa puts it succinctly in his new book:

"Because of the importance of the United States in world trade was itself very large, as seen from most other countries;

"Because there were ample and versatile credit facilities available from which supplemental supplies of dollars could be obtained at short term;

"Because accumulations held for transactions purposes could be readily invested in liquid form at reasonable rates of return;

"Because foreign transactions form so small a part of the vast U.S. markets that foreign holders have little reason to fear that their operations would become conspicuous or subject to interference; and

"Because the dollar had an established tradition—honored through various periods of stress—of maintaining open markets free of the dictation and the intrusions characteristic of exchange control;

"And lastly a purely technical reason. There are 102 members of the IMF. If financial transactions were denominated in the currencies of every nation, a little simple arithmetic will show that you would raise the 102 currencies to the second power or a figure of 10,404 to arrive at the different methods in which a transaction could be accounted for. To avoid this chaotic situation, when a businessman in country A sells to a customer in country B the transaction usually will work like this: The customer in country B buys dollars; with the dollars he buys the national currency of country A and uses these funds to pay the seller."

This is why we sometimes refer to the role of the dollar as a vehicle currency. It is a crucial role and it acquired this role for the reasons I have listed above. Like its role as a domestic or national currency, the need for dollars as a vehicle currency increases as world trade and financial transactions increase.

To summarize, the dollar is available, it is safe, and it is enormously convenient to have one or (or if one includes the British pound and French franc) two or three currencies that many countries can use, in an infinite variety of bilateral trade transactions, as a kind of common denominator.

### THE DOLLAR AS A RESERVE CURRENCY

The dollar's third role—that of a reserve currency—has developed for many of the same reasons that have made it a vehicle currency.

By a reserve currency we mean that dollars are held by governments and central banks as a highly liquid and dependable asset that they can use along with gold to carry them



over times of temporary imbalance—precisely the way you, as businessmen, keep reserves for contingencies. But there is an important distinction between the role of the dollar as a vehicle currency and its role as a reserve currency. I have mentioned that probably the principal factor in the dollar's role as a vehicle currency is convenience. I believe that the principal factor in the dollar's role as a reserve currency is confidence—confidence in the ability to use it quickly and at an assured price. These are approximately the criteria most businessmen use in acquiring and holding assets as contingent reserves.

Those who hold the dollar as a reserve currency, central banks and treasuries, do so in the knowledge that these dollars are freely convertible into gold at the fixed price of \$35 an ounce. The fact that we have not varied from this policy and this fixed price for over 30 years plus the fact that we are the only country which stands ready to exchange gold for holdings of its currency has made the dollar second only to gold as an international reserve asset.

Foreign monetary authorities hold about \$14 billion in their reserves. These dollars are used to finance their balance-of-payments deficits and surpluses and as a cushion for the future.

While these two international roles of the dollars are interdependent—dollars flow back and forth between official and private hands—changes in the world's holdings of its vehicle currency dollars can have quite different implications than changes in the world's holdings of its reserve currency dollars.

To illustrate, the amount of dollars (or any other vehicle currency) held by banks and businesses for trade and finance will probably grow as world trade grows and develops. The dollars held for reserves can vary with the judgment of central banks and governments on (a) what amount of reserves they need and (b) their judgment as to the potential value and usefulness of the dollar.

One final note on our dollar liabilities. While the large amounts of dollars which foreigners now hold represent liquid liabilities and potential claims on our gold reserves, the fact that the world is willing to hold such large amounts of dollars is testimony to their confidence in the dollar.

The program to which I refer next is designed to make sure that the integrity of—and international confidence in—the dollar are maintained.

#### THE TWIN PROBLEMS OF BALANCE OF PAYMENTS AND WORLD LIQUIDITY

Most of the current discussions of international finance concerns twin problems: our balance-of-payments deficit and world liquidity.

I do not mean to insult your knowledge, but let's make certain of our definitions. First of all let's define the balance of payments. It is not as easy as it might seem because it is an accounting of our private and Government transactions with the rest of the world. In dangerously simplified terms the major transaction would be like this:

#### WHAT FUNDS GO OUT

1. Money spent to buy imports (including shipping costs to foreign lines).
2. Money spent by tourists.
3. Money spent by the United States in maintaining troops overseas.
4. Money loaned by banks and the Government to foreign borrowers.
5. Money invested in industries in foreign nations.
6. Money given as untied grants under our foreign aid program.
7. Money sent abroad as payment of interest and principal due by U.S. borrowers.
8. Money remitted as dividend payments to foreign holders of U.S. securities, or as branch income of foreign corporations.

#### WHAT FUNDS COME IN

1. Money spent by foreigners to buy our exports.
2. Money spent by foreign tourists in the United States.
3. Money loaned by foreign banks and governments to U.S. borrowers.
4. Money invested by foreigners in U.S. industries.
5. Remittances of interest and principal payments on debts foreigners owe to U.S. lenders.
6. Remittance of dividend income and income of U.S. overseas branches to U.S. investors and corporations.

I have warned you that this is highly oversimplified accounting, but it does include the major items.

When the outgoing items exceed the incoming, we say that we have a deficit; when the reverse is true we say that we have a surplus.

Now some one at this juncture will say, "It is nonsense to keep accounts like these. You have current items such as funds spent on imports or money spent by tourists lumped together with capital items such as long-term loans and investments."

This is very true indeed and that is where the question of liquidity enters the picture. Just what do we mean by liquidity? The corporate explanation of liquidity is the relation between short-term liabilities and short-term assets. It seems to me that the international economists are much less precise in their definition. When they speak of liquidity, they usually refer to the official (government and central bank) holdings of gold and convertible currencies and the credit available on a rather automatic basis in the IMF. The relation of these assets to short-term liabilities is usually, meaningless to most countries because their currencies are not used as a vehicle in commercial transactions or held as reserves.

However, in the United States the corporate definition of liquidity that relates liquid assets to near-term liabilities is more appropriate. It is in fact crucial because as I have pointed out \$11 billion are held by private foreigners for trade and finance and \$14 billion by official foreigners as reserves.

Thus, the proper definition of liquidity would probably be in three parts. For most nations it could be defined as their holdings of convertible foreign currencies, gold, and their IMF position. For the United States it is more precise to define liquidity as the relation between these assets and our short-term liabilities. For the world as a whole, you would probably define liquidity as the amounts of acceptable international resources (gold, convertible currencies, and automatic credit at the IMF) available for trade, finance, and reserves.

Now let's look at our balance of payments. In essence, the balance-of-payments problem is one of U.S. liquidity. Our overall financial position is good and improving but our international liquidity has been deteriorating. To illustrate, at the end of 1964 our private foreign investments alone exceeded the total of all foreign claims on us—official and private—by over \$18 billion. The comparable figure in 1958, when our balance of payments first became a serious problem, was less than \$7 billion. This is without taking any account of our gold stock which at the end of 1964 amounted to over \$15 billion and our Government claims on foreign countries which amounted to over \$23 billion. Our overall position, therefore, is obviously immensely strong.

But in the process of building up these tremendous foreign assets, most of which are long-term assets, we have incurred large short-term liquid liabilities, which, while much smaller than our long-term assets, have been large in relation to our gold reserves.

At the beginning of 1958 our holdings of gold came to almost \$23 billion. They now

stand at less than \$14 billion. Over the same period our dollar liabilities to foreign official institutions rose from less than \$9 billion to over \$14 billion.

It is obvious that this process of lending long and borrowing short cannot go on indefinitely, and I think that most responsible observers are agreed that our balance of payments must be brought into equilibrium to bring it to an end. But at this point the second of our twin problems comes into focus. If the dollar outflow from the United States is ended, how will the world's needs for a key currency and a reserve currency be met?

You will remember that I have earlier indicated that net outflows of dollars have not always been turned back to the United States. Some of these dollars have been retained by foreigners to increase working balances to finance an expanding level of trade and finance and some of these additional dollars have been held to build up official reserves.

On its face, it appears that we are faced with a dilemma. Actually, careful analysis leads us to believe that the ending of our deficit may not create a world liquidity problem for sometime to come.

Over the past 4 years, while we have not changed the basic structure of the international payments mechanism, we have substantially fortified it. Just this year, the members of the International Monetary Fund agreed to support a general increase in IMF quotas of 25 percent or about \$5 billion. In 1961, the 10 major industrial nations, known as the Group of Ten, negotiated with the International Monetary Fund a so-called general arrangements to borrow whereby the 10 nations agreed to lend to the IMF up to \$6 billion should this be necessary "to forestall or cope with an impairment of the international monetary system."

Added to this multilateral source of funds are the various bilateral arrangements whereby the major countries stand ready to swap their currencies with one or more of the other countries in time of need. The substantial support which the IMF and the leading countries have extended to the pound sterling in recent months is testimony to the strength of the present system.

In noting these strengths of the present international payments system, I am not arguing that nothing further needs to be done. I note them only because in recent months some people have unjustifiably jumped to the conclusion that an ending of the U.S. balance-of-payments deficits will immediately bring about a shortage of world liquidity and a crisis.

In addition to overlooking the very real strength of the current system, those who make the oversimplified argument that we should continue our balance-of-payments deficit to maintain world liquidity, overlook two other basic points. First, the dollar cannot continue to be a reserve currency if we continue a balance-of-payments deficit of the magnitudes that have prevailed in the past. Sooner or later our liabilities will become so large in relation to our gold reserves that foreign central bankers will no longer believe that the dollar is, in fact, as good as gold and they will not be willing to hold it.

Second, a deficit in our balance of payments does not necessarily and automatically increase world liquidity if the countries which are receiving the dollars cash them in for gold. Their reserves go up but ours go down, and the world total remains the same. To illustrate the point, in the first quarter of this year the deficit in our overall balance of payments, seasonally adjusted, was \$180 million. But these dollars did not become new additions to total world reserves. Rather, they came right back to the U.S. Treasury Department to be exchanged, along with dollars accumulated in past periods, for some \$800 million worth of

gold. A continuance of the dollar outflow would lead to more of the same, a transfer of gold from the United States to the European surplus countries with little or no gain for world liquidity as a whole but with continual decreases in our liquidity.

#### THE ADMINISTRATION'S APPROACH

The administration's approach to these twin problems is to move quickly and certainly to balance-of-payments equilibrium and at the same time to move forward in discussions on improving the world's monetary system.

I have pointed out why it is imperative for us to restore equilibrium in our balance of payments. But what, it is asked, do we mean by equilibrium? Is it an exact balance or does it allow for some deficit, say \$500 million, \$1 billion, or even more?

Our feeling in the Treasury is that equilibrium cannot be defined solely in terms of a figure; it is importantly a matter of confidence. Whether a given figure for the overall balance of our international transactions represents equilibrium depends on the particular circumstances at the particular time. But while we may not be able to define in precise numerical terms what equilibrium is, we can say that it does not exist when the United States is continually losing gold. Perhaps, then, the best indication of what equilibrium in the U.S. balance of payments is, is what the rest of the world thinks it is. The extent to which they cash in their dollars for gold is, in short, a very useful indicator.

We are seeking the long-run, basic solution to our balance-of-payments deficit through measures which are consistent with our domestic objectives and our foreign policy objectives, and consistent with a growing volume of world trade and capital movements. In brief, our longrun approach is to:

1. Continue to minimize the balance-of-payments impact of Government expenditures abroad.
2. Strive to increase our exports and receipts from foreign tourists.
3. Encourage other developed nations to take on more international financing to relieve us of a disproportionate share.
4. Take measures to encourage more foreign investment here.

To gain the necessary time for these longer run measures, we have undertaken shorter run measures which President Johnson outlined in his message last February 10. These consist of efforts to reduce foreign travel expenditures by U.S. citizens; the extension and broadening of the interest equalization tax; and, most importantly, the request that banks and corporations curtail or adjust their activities to lessen the balance of payments impact of capital outflows.

The key to success in this program, both in the short run and in the long run, is the business community. For the short run, we must have the effective cooperation of the business community to give us the time for our longer run measures to take effect. And in the long run, the competitive position of American business in relation to the other major trading countries will be critical.

First of all, we must maintain our good record of relative price stability. Secondly, American business must become more energetic and effective in finding and exploiting foreign markets for American exports.

Shortly after President Johnson announced his new balance-of-payments program on February 10, there was an encouraging swing to a surplus in our balance of payments. It is far too early, however, to conclude that this represents a permanent trend toward equilibrium. Some of the gains were due to special factors, some were one time gains. We are by no means out of the woods yet. But we do feel that we have a program which is sound and can bring us to equilibrium if all of us follow through on it.

While the subject of world liquidity has only recently come into public prominence, the United States several years ago, joined with other major countries in comprehensive studies of the international monetary system, its recent evolution, its present effectiveness and its future. On June 1 of this year, this multilateral study group issued a report which exhaustively examines the possible ways to strengthen the system. In July, Secretary Fowler announced that the United States stood prepared to participate in an international monetary conference that would consider what steps we might jointly take to secure substantial improvements in international monetary arrangements.

On September 10, Secretary Fowler returned from a 10-day trip to Europe during which he exchanged views with officials of seven countries on how we might move ahead to improve the workings of the international monetary system. Secretary Fowler had earlier conferred in Washington with Canadian and Japanese officials.

He found agreement that present circumstances call for a reexamination of the free world's monetary arrangements; that we should begin contingency planning for the possible time ahead when new ways of providing for growth in monetary reserves will become necessary; and that active discussions on negotiations should begin in the near future at the level of policymaking officials.

The annual meeting of the International Monetary Fund beginning next week offers a logical opportunity to start putting the negotiating machinery in motion.

In both the case of the problem of the U.S. balance of payments and that of international monetary reform, therefore, there are signs of progress. I would rather close, however, on a note of caution. A basic change in the world's monetary system will not come about quickly or easily. To reach agreement among all the nations involved on anything so basic will require time and enormous effort.

A lasting improvement in our balance of payments—lasting enough to be meaningful in the context I have described—will also require time and effort.

The President's program is broad-gaged, requiring some sacrifice of many elements of the population but no unreasonable sacrifice, in our judgment, of any one element. Of course, more tourists would like to bring back more goods duty-free from abroad; of course, banks and other lenders would like to lend as freely as possible abroad; of course, businessmen would like to take advantage of every attractive overseas investment opportunity. Essentially, we are asking these groups to adjust—not halt—these practices, so that confidence in the dollar will be sustained.

If confidence in the dollar is sustained, if the international monetary system evolves in a sensible way, we will have created the best possible environment for the American economy—American businessmen—to demonstrate their formidable competitive strength in the world at large, in the years ahead.

#### PARTICIPATION BY UNITED STATES IN HEMISFAIR 1968

The ACTING PRESIDENT pro tempore (Mr. METCALF). The Senator from Ohio is recognized.

Mr. LAUSCHE. Mr. President, pending before the Senate is S. 2167, a bill to provide for participation of the United States in the HemisFair 1968, a domestic exposition to be held in San Antonio, Tex., in 1968.

This bill, if passed, would provide authority for the United States to build a structure in San Antonio to be used as a part of the fair.

The Senator from Delaware [Mr. WILLIAMS] and I have filed minority views against this legislation.

Mr. President, our reasons are set forth for our dissenting view which I believe support the judgment that we reached in opposing passage of the bill.

We do not concur with the recommendation of the Foreign Relations Committee that the Senate approve S. 2167, as amended, a bill to provide for participation of the United States in the HemisFair 1968 domestic exposition to be held in San Antonio, Tex., in 1968.

While we recognize the merits of such domestic expositions, we are deeply concerned about the frequency of Federal participation in local fairs of this type.

Domestic expositions can play a limited cultural and economic role in the field of foreign affairs, but the Federal Government should encourage such enterprises with caution and discretion.

Our international commitments include enormous amounts of Federal funds for military expenditures and foreign aid. This fact requires the Government to review with great care the priorities for which Federal money should be spent. It is quite clear that the promoters of this HemisFair of San Antonio are looking forward to a substantial appropriation of Government money to be invested in this enterprise, an amount in excess of approximately \$8½ million. The United States has given generously to two domestic fairs in the past several years, one in Seattle and one in New York, and is now being asked to give to three more—the San Antonio, the Florida State show, and the genuine international exhibition to be held in Montreal, Canada, in 1967.

The participation of the United States in the "Century 21" Exposition in 1962 in Seattle, Wash., and the New York World's Fair in 1964-65, involved expenditures of \$9.9 million and \$17.5 million respectively. At each of these fairs the Federal Government constructed huge and costly exhibition halls.

The proponents of the HemisFair of San Antonio point out, in support of their cause, that the people of San Antonio have approved a \$30 million bond issue, and the State of Texas has appropriated \$4.5 million with an additional \$3 million expected for next year, as their contribution to this exposition, the 250th anniversary of the city.

The \$30 million in San Antonio is to be used for the acquisition of land and the construction of a large civic center. The funds appropriated by the State are also to be used in constructing buildings of a permanent nature. Although the promoters want a Federal building which will continue to be of utility after the conclusion of the HemisFair, experience from the Seattle fair indicates that a structure built for exhibition purposes is not suitable for permanent use by the United States. It is practically certain that such a Government building will only be used for local functions in the future although financed by the taxpayers of the United States.

Thus, what begins as a celebration of local interest becomes a massive plan whereby the Federal Government is



called upon to provide funds to promote the construction of facilities to be used as a part of a permanent civic center. The Federal Government is committed to and must contribute to the Universal International Exposition in Montreal, Canada, in 1967.

To make the cost still less defensible requests have already been received for U.S. participation in an added interama exposition in Florida. Plans are now also being initiated for a U.S. World's Fair in celebration of the 200th anniversary of the United States in 10 years.

This multitude of past and future investments asked for committals has serious implications and unjustified costs.

The high expenses incurred by the promoters of the New York Fair, both public and private, have served to make large investors review their plans for participation in the Montreal fair scheduled for 1967. An invitation to foreign nations from the President of the United States would only encourage foreign governments to make an investment they can ill afford since this is hardly an appropriate time for Latin American capital to be invested in the United States. An invitation to participate in the San Antonio fair, therefore, would not be met with much enthusiasm, and those nations who do decide to participate would, in all likelihood, not be able to meet their expenses. In the end, it would be the American taxpayer who will carry the financial burden. This can hardly be called a way in which to improve our balance-of-payments standing, as the promoters suggest.

In the case of HemisFair and other State expositions, a direct relationship is involved between the exposition and a series of urban civic removal projects. This urban removal is already supported by Federal funds. Therefore, this same money is indirectly involved in the promotion of this exposition.

Further Federal commitment might very well result in an angry outcry from other cities carrying out urban removal, and it would place the U.S. Government in the awkward position of being discriminatory.

American endorsement in any international undertaking has profound ramifications throughout the world. Certainly international fairs involve an aspect of foreign policy. If our foreign policy is to be effective, we must make sure that it does not lose its influence. Over-indulgence in one type of commitment will only result in the loosening of its impact.

For the foregoing reasons, we oppose passage of the bill.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. YARBOROUGH. Subject to the approval of the leadership, it is the understanding of the Senator that the legislation will be taken up in the morning hour on Tuesday?

Mr. LAUSCHE. Mr. President, I have no objection to it being taken up at the earliest date consistent with the expeditious disposition of the Senate business. If Tuesday at noon is an appropriate hour, I shall raise no objection.

Mr. YARBOROUGH. Mr. President, the junior Senator from Texas [Mr. TOWER] requested that the matter be put off until then.

#### LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, it is anticipated that Calendar No. 756 (S. 2167) a bill to provide for participation of the United States in the HemisFair 1968 exposition to be held at San Antonio, Tex., in 1968, and for other purposes, will be brought up on Tuesday.

The next order of business will be the conference report on the poverty program. That will be the order of business immediately after the prayer tomorrow.

I thank the distinguished Senator from Oregon for him unfailing courtesy and consideration at this late hour.

Mr. MORSE. I yield to the Senator from Oklahoma.

#### TRIBUTE TO FORMER U.S. SENATOR ELMER THOMAS

Mr. MONRONEY. Mr. President, one of Oklahoma's great men, former U.S. Senator Elmer Thomas, died Sunday, and on the following day the Senate adopted a resolution of sorrow and extreme regret, which my colleague, Senator HARRIS, was kind enough to submit during my unavoidable absence.

Oklahoma owes the late Senator Thomas a debt of gratitude for his extraordinary contributions during a period of service longer than any other man ever elected to major public office in Oklahoma. It was most fitting that the resolution which my colleague presented was agreed to unanimously.

Senator Thomas began his public service when Oklahoma became a State in 1907, serving as a member of the first Oklahoma State Senate. He continued in the State senate until 1920, and in 1923 was elected to the Congress, where he served until elected to this body in 1927.

Senator Thomas dedicated his years to causes that helped bring Oklahoma from infancy to maturity faster than probably any other member of the sisterhood of States. But the benefits and the accomplishments of Senator Thomas and his policies and programs can be seen not only in Oklahoma but throughout the Nation.

He served here on Capitol Hill as a ranking member of the Military Appropriations Committee, as chairman of the Agricultural Committee, and as an expert in fiscal policy, Indian affairs, and natural resources development.

Senator Thomas' long-range vision for the development of the Nation's water resources were bolstered in later years by the added championship of our great mutual friend, the late Senator Robert S. Kerr.

As a Member of the House of Representatives, it was my honor to work with Senator Thomas and Senator Kerr in giving Oklahoma its tremendous momentum in the development of its soil and water resources.

Through many years of diligent application of superb leadership talents, Senator Thomas earned a place of enduring honor in our State and Nation. It was with deep regret that we learned of his passing, and the resolution which the Senate adopted upon this sad occasion was altogether appropriate to the memory of this great American.

I thank the Senator from Oregon for his courtesy in yielding to me.

#### CHANGE OF REFERENCE

Mr. MOSS. Will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Utah.

Mr. MOSS. Mr. President, I ask unanimous consent that Senate Concurrent Resolution 55, to express the sense of Congress relative to certain water problems confronting the United States and Canada, which was referred to the Foreign Relations Committee, be referred to the Committee on Public Works, for the reason that this matter is a matter with which the Public Works Committee is currently engaged. The matter has been cleared with the chairmen of both committees, and is in full agreement on both sides, with the simple reservation by the chairman of the Foreign Relations Committee that if any treaty or if anything of that sort should grow out of it, the Foreign Relations Committee would not lose any jurisdiction.

The PRESIDING OFFICER. Without objection, the Foreign Relations Committee will be discharged, and the resolution will be referred to the Committee on Public Works.

Mr. MANSFIELD. Mr. President, will the Senator from Oregon yield me one-half minute?

Mr. MORSE. I yield.

#### EXPANSION OF WAR ON POVERTY—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8283) to expand the war on poverty and enhance the effectiveness of programs under the Economic Opportunity Act of 1964. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MANSFIELD. This conference report will be the pending business tomorrow, at the conclusion of the prayer.

Mr. MORSE. I yield to the Senator from Michigan, without losing my right to the floor.

## AUTOMOBILE PRICES, 1966

Mr. HART. Mr. President, yesterday I took the floor to voice my concern that the higher prices for 1966 model cars announced by Chrysler Corp. might indicate that consumers would be handed an across-the-board increase by the auto industry.

Late yesterday General Motors Corp.—by announcing their 1966 prices—assured me that my fears of a general upswing were not to be realized. As I felt I would have been remiss in not speaking out yesterday, so do I feel it right that I speak today.

General Motors in its press release—which I ask unanimous consent to have entered in the RECORD at the conclusion of my remarks—says its 1966 prices amount to a reduction in consumer prices. Some—who feel more at home with complicated statistics than I—have raised the question if in fact the company could not have cut prices more.

These observers have in mind, of course, the increased productivity and high profit rates of the industry. They also argue that by making last year's optional safety equipment standard on the 1966 cars, the companies should realize lower installation costs and—because of the increased volume—a higher dollar return on sales of that equipment.

The theoretical economic ground for that argument is sound. Unfortunately, for one not in possession of the cost figures for General Motors—such as myself—it is impossible to carry that argument beyond the theoretical stage.

Therefore, I am inclined to count the blessings in hand and not mourn for the "might have been."

The fact is that the consumer will pay no more for a 1966 General Motors car—with identical equipment—than he would have for the 1965.

My primary concern yesterday was that auto prices—in spite of record profits—would go up across the board—contributing to inflationary pressures and opening the issue of just how much price competition there is within the industry. General Motors' action eases that concern and is welcome news to the American consumer.

I ask unanimous consent that a copy of the General Motors press release dated September 22, 1965, be printed in the RECORD at this point.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

DETROIT.—The manufacturer's suggested retail prices on all 1966 model General Motors passenger cars will be lower than those of similarly equipped 1965 models, chairman Frederick G. Donner and president James M. Roche announced today.

The manufacturer's suggested retail price (which is shown on each car on the "sticker") includes list price, dealer delivery and handling charges and reimbursement for Federal excise tax, but does not include destination charges or State and local taxes.

All 1966 models include as standard equipment six safety items which have been available as extra cost options on most models during 1965—rear seat belts, padded instrument panel, backup lights, outside left-hand rearview mirror, dual speed windshield wipers and washer, and padded sunvisors. Fur-

thermore, improved penetration resistant windshield glass will be standard on all 1966 General Motors cars.

Reductions in the manufacturer's suggested prices for 1966 model General Motors passenger cars range from \$52 to \$136 as compared with the introductory prices for similarly equipped 1965 models in September 1964 (the average reduction is \$72). The major part of the overall reduction reflects the full amount of the excise tax reduction. The remainder of the reductions includes decreases for the safety items made standard equipment which range up to \$19 as compared with the 1965 option prices for the various features. (The safety items sold as optional equipment on the average 1965 General Motors car were priced at \$56. On 1966 models, these items have been reduced to \$50—a reduction of more than 10 percent.)

The Federal excise tax on new passenger cars was reduced from 10 to 7 percent by legislation which became effective June 22, 1965. On that date the manufacturer's suggested retail prices for all General Motors passenger cars were reduced to reflect this reduction in excise tax. The 1966 manufacturer's suggested retail prices continue to reflect fully the reduced excise tax.

"This will be the 8th consecutive model year in which our prices have remained substantially constant or have been reduced," Mr. Donner and Mr. Roche said. "Our prices have not been increased since the fall of 1958 when the 1959 models were introduced. This is a significant accomplishment, particularly in view of the fact that over this period our hourly employment costs have increased by 40 percent, the consumer price index has risen by about 9 percent, tooling costs and prices of machinery have advanced as have prices of some basic materials and services, and State and local taxes are higher.

"We have been able to maintain prices at a level substantially unchanged since the fall of 1958 through constant emphasis on the development of improved manufacturing methods, processes, equipment and through innovations in design. At the same time, the quality and structural strength of our cars, and the reliability and durability of such key components as engines and transmissions, and braking and steering systems have been advanced each year. As a result, our cars are safer and easier to drive. Moreover, General Motors cars today are more attractively styled, and better engineered than ever before. They also satisfy more effectively the increasingly diverse needs and desires of our customers.

"Our market continues to be characterized by a strong desire for individuality on the part of buyers—and we are meeting this demand for personalized products with a wide variety of models and optional equipment. As a result, General Motors products today represent even greater values for the consumers' dollars."

It was also announced that the General Motors air injection reactor system designed to control exhaust emission and installed on cars sold in California will be priced at \$45.

Following is an example of the 1966 General Motors prices, related to 1965 prices for a similarly equipped Chevrolet Chevelle "300" six-cylinder, four-door sedan:

[Manufacturer's suggested retail prices]	
Price for 1965 model prior to excise tax reduction (Sept. 24, 1964 through June 21, 1965) <sup>1</sup> .....	\$2,193.00
Add six optional safety items of equipment—made standard in 1966—at 1965 option price.....	70.60
Total 1965 price prior to excise tax reduction, June 21, 1965.....	2,263.60
Less excise tax reduction effective June 22, 1965 <sup>1</sup> .....	48.65

1965 model price since June 22, 1965.....	\$2,214.95
1966 model price, effective October 7, 1965.....	2,202.00
Reduction excluding excise tax reduction.....	12.95
Total reduction from introductory 1965 model price excise tax reduction—June 22, 1965 <sup>1</sup> .....	48.65
Price reduction, effective October 7, 1965.....	12.95

Total price reduction since introduction 1965 model..... 61.60

<sup>1</sup> Retroactive to May 15, 1965.

Prices for individual makes and models will be announced shortly by each General Motors car division.

Mr. HART. I thank the Senator from Oregon for yielding to me.

## MEMORANDUM OF LAW OF LAWYERS' COMMITTEE ON AMERICAN POLICY TOWARD VIETNAM

Mr. MORSE. Mr. President, one of the great changes in U.S. foreign policy which has taken place in the last 5 years has been the reversal of our earlier determination to advance the rule of law in world affairs. No nation was more deeply involved in the creation of the United Nations than was the United States; and no nation in the world has preached to others more than we have that peaceful settlement of disputes among nations must be practiced, preferably under United Nations auspices.

In Vietnam, we have totally flouted the rule of law, and we have flouted the United Nations Charter. This lipservice given by the United States to the United Nations and its international law provisions and procedures has done our country great injury among many international lawyers around the world. Our waging an undeclared war in southeast Asia in flagrant violation of our oft-expressed pretense that the United States stands for the substitution of the rule of law for the jungle law of the military claw in meeting threats to the peace of the world, has done great damage to our reputation for reliability in international affairs. Our good reputation in world affairs previously held by millions of people in the underdeveloped areas of the world has been tarnished by our unjustified warmaking in southeast Asia.

We have lost much more prestige and so-called face among the masses of the people of Asia, Africa, Latin America, and for that matter, the Western World, than we possibly could have suffered if we had forthrightly admitted years ago that it was a mistake for us to unilaterally intervene militarily in southeast Asia.

Ever since our first violations of the Geneva Accords, starting with the imposition of our first puppet regime in South Vietnam, the Diem regime, we have violated one tenet after another of international law and one treaty obligation after another, and the world knows it. For more than 10 years, we have written on the pages of history with the indelible ink of U.S. violations of the Geneva Accords of 1954, as well as article



after article of the United Nations Charter and even article I, section 8 of the Constitution of the United States, a sad and shocking chronicle of our repudiation of the rule of law in our foreign policy practices.

Our unilateral intervention in Vietnam has continued unabated, even while we were addressing pious letters to the Secretary General of the United Nations, suggesting that he might, perhaps, find some way to interest the members of the United Nations in trying to restore peace in southeast Asia. Unfortunately, even our diplomatic gestures toward the United Nations were so couched in empty semantics that the world knew that the United States was not offering to have the United Nations take complete jurisdiction over the threat to the peace of the world in Asia on United Nations terms but only in the last analysis, upon U.S. terms.

Whenever Senator ERNEST GRUENING and I have urged that the United States, in accordance with the peacekeeping procedures clearly authorized by the United Nations Charter, should file with the Security Council a formal resolution calling upon the Security Council, in behalf of the United Nations, to take jurisdiction over the threat to the peace in Asia, the officials of our Government rejected our proposal with the lame excuse that they thought either Russia or France would veto such a resolution in the Security Council. Sometimes they would add to their limping rationalization in opposition to our proposal that they had reason to believe that the nonpermanent members of the Security Council preferred not to have the United States call upon the members of the United Nations Security Council to live up to their treaty obligations.

As I have argued so many times with the officials of the administration and with the Senate of the United States, our country can never justify a violation of its treaty obligations simply because other signatories to the United Nations Charter may not want to live up to their treaty obligations. World public opinion is entitled to know what nation or nations are unwilling to make full use of the peacekeeping procedures of the United Nations Charter in a good-faith endeavor to end a threat to the peace of the world in southeast Asia or anywhere else.

The failure of the United States to submit by way of formal resolution to United Nations' jurisdiction in the Vietnam was in marked contrast to our support of the United Nations' intervening in a good-faith attempt to negotiate a cease-fire agreement in the Indo-Pakistani war. Yet the capacity of the United Nations to deal with breaches of world peace is being eroded by the American policy of ignoring the peacekeeping procedures of the United Nations Charter in its own war in Vietnam.

Our preachments to other powers that they submit their disputes to United Nations' jurisdiction are already being met with much cynicism. Other countries know it is a case of our saying: "Do as I say, but not as I do."

Our highest policy officials insist that American honor and commitments are

at stake. Yet, the American honor and the commitments we pledged to respect when the United States signed the charter of the United Nations 20 years ago have been thoroughly debauched. It is not the United Nations and pacific settlement of disputes that we are honoring in Vietnam, but a narrow, national interest of the United States. Like so many nations before us, and like many in our own time, we find it easier to call upon our tremendous military power to sustain a mistaken political judgment than to do what we have always urged others to do; namely, submit the entire matter to the United Nations' jurisdiction for the application of the appropriate rules of law as set forth in the articles of the charter.

A memorandum on the international law aspects of the Vietnam war has been prepared by a group of lawyers, acting under the leadership of Mr. Joseph Crown, of New York City. Organized as the Lawyers' Committee on American Policy Toward Vietnam, they have produced a written statement of some of the legal issues posed by our military intervention in southeast Asia. In this legal memorandum they have discussed the ways in which that intervention violates not only the position we have previously taken in cases of breaches of the peace but the text of the United Nations Charter, itself.

Senator GRUENING and I are pleased to have this document printed in the CONGRESSIONAL RECORD, because it raises questions about our responsibilities under international law that have been evaded by the administration for many years.

The memorandum projects constructive proposals for the peaceful resolution of the tragic Vietnamese conflict. They are proposals which are in conformity with the rule of law and the principles of the United Nations Charter. The committee is to be commended for its exploration of the legal issues and treaty violations posed by the war in Vietnam.

By inserting in the CONGRESSIONAL RECORD the legal memorandum prepared by the Lawyers' Committee on American Policy Toward Vietnam, it should not be inferred that Senator GRUENING and I endorse or underwrite every detail of the legal arguments made by its authors. However, we do agree that it represents a legal analysis of many of the international law problems raised by the U.S. unilateral military intervention in southeast Asia that is most deserving of study and careful consideration not only by the officials of our Government and the public, generally, but also by those members of the American bar who believe in the substitution of the rule of law in place of resort to war for the settlement of threats to the peace of the world.

Senator GRUENING and I have been advised that the Lawyers' Committee on American Policy Toward Vietnam will welcome responses from members of the American legal profession and also invites all lawyers interested to join the Lawyers' Committee on American Policy Toward Vietnam in its plans for arousing a nationwide interest among lawyers and the general public in seeking to persuade our Government to make greater

use within its foreign policy of an international law approach to the threat to the peace of the world that has been created by U.S. warmaking in southeast Asia.

Senator GRUENING and I also wish to add our personal plea to members of the legal profession dedicated to the rule of law to interest themselves in the work of such lawyers' groups as the Lawyers' Committee on American Policy Toward Vietnam and the work of the World Peace Through Law Conference which met in Washington, D.C. from September 12-18. The proceedings of the World Peace Through Law Conference which will be published in the near future, as well as the legal memorandum prepared by the Lawyers' Committee on American Policy Toward Vietnam, are deserving of the study of the members of the legal profession.

The Lawyers' Committee that prepared this legal memorandum asks those members of the bar, the bench, law teachers and professors who share the major international law objectives expressed in the memorandum to communicate with the committee for the purpose of helping the committee further its endeavor to create a greater public opinion interest in American foreign policy.

As I have said so many times, American foreign policy under our constitutional system belongs to the American people. Only an alerted and enlightened public opinion can help the officials of our Government in both the executive and congressional branches of Government mold and administer a foreign policy that will be in keeping with the best interests of our people.

Senator GRUENING and I believe that such a provocative legal treatise as this one prepared by the Lawyers' Committee on American Policy Toward Vietnam should be widely disseminated, debated and considered in connection with proposals for needed modifications in American foreign policy in southeast Asia.

I am informed that among those legal authorities who have endorsed the memorandum are Prof. Thomas Emerson of Yale, Prof. David Haber of Rutgers, and Osmond K. Fraenkel, general counsel for the American Civil Liberties Union.

Therefore, Mr. President, in behalf of Senator GRUENING and myself, I ask unanimous consent that the following memorandum of law, including its title page, prepared by the Lawyers' Committee on American Policy Toward Vietnam, be printed in the CONGRESSIONAL RECORD.

There being no objection, the memorandum and title page were ordered to be printed in the RECORD, as follows:

AMERICAN POLICY VIS-A-VIS VIETNAM, IN LIGHT OF OUR CONSTITUTION, THE UNITED NATIONS CHARTER, THE 1954 GENEVA ACCORDS, AND THE SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY

#### MEMORANDUM OF LAW

(Prepared by Lawyers Committee on American Policy Toward Vietnam, Hon. Robert W. Kenny, Honorary Chairman)

#### Executive committee

William L. Standard, Chairman; Carey McWilliams, Vice Chairman; Joseph H. Crown, Secretary.

Lawyers Committee on American Policy Toward Vietnam, 38 Park Row, New York, N.Y.

## AMERICAN POLICY VIS-A-VIS VIETNAM

The justification of American involvement\* in Vietnam has troubled lawyers in the light of the literal language of our Constitution and the United Nations Charter. Though the United States initially entered South Vietnam only to advise, American troops, now numbering 125,000,<sup>1</sup> have moved from a passive to an active combat role. American forces have mounted repeated air strikes against targets in North Vietnam. Is such action, raising the threat of large-scale war, consonant with our Constitution, our obligations under the United Nations Charter, the provisions of the southeast Asia collective defense treaty?

Observance of the rule of law is a basic tenet of American democracy. Hence it is fitting that American lawyers examine the action pursued by our Government to determine whether our Government's conduct is justified under the rule of law mandated by the United Nations Charter, a charter adopted to banish from the earth the scourge of war.

We shall explore and assess the grounds advanced to justify the course of conduct pursued by our Government vis-a-vis Vietnam. In section I, we examine American policy in the light of the United Nations; in section II, in the light of the Geneva accords and the southeast Asia collective defense treaty; and in sections III-IV in the light of our Constitution. Mindful of the grave importance of the issues, we have exercised the maximum diligence in the preparation of this memorandum which is fully documented.

## I.—THE UNITED STATES IN VIETNAM: THE UNITED NATIONS CHARTER

The Charter of the United Nations was signed on behalf of the United States on June 26, 1945, by the President of the United States, and was ratified on July 28, 1945, by the Senate.<sup>2</sup> Thus, the United States became a signatory to the Charter, along with 55 other nations (there are now 114), obligating itself to outlaw war, to refrain from the unilateral use of force against other nations, and to abide by the procedures embodied in the Charter for the settlement of differences between states. In essence, the obligations assumed by member nations under the United Nations Charter represent the principles of international law which govern the conduct of members of the United Nations and their legal relations.

The Charter of the United Nations is a presently effective treaty binding upon the Government of the United States because it is the "supreme law of the land."<sup>3</sup> In-

deed, the Charter constitutes the cornerstone of a world system of nations which recognize that peaceful relations, devoid of any use of force or threats of force, are the fundamental legal relations between nations. The following provisions of the Charter are relevant:

(a) "All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state or in any other manner inconsistent with the purposes of the United Nations" (ch. I, art. II(4)).

(b) "The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression, and shall make recommendations or shall decide what measures shall be taken \* \* \* to maintain or restore international peace and security." (Ch. VII, 39.)

It is thus plain that signatory members of the United Nations Charter are barred from resorting to force unilaterally and that only the Security Council is authorized to determine the measures to be taken to maintain or restore international peace (apart from the question as to whether or not the General Assembly has any residual authority by virtue of the "Uniting for Peace" resolution for this purpose when the Security Council is unable to meet its responsibilities).

It may be recalled that in 1956, Israel justified its attack on the Egyptian forces in the Sinai Peninsula "as security measures to eliminate the Egyptian Fedayeen 'Commando' bases in the Sinai Peninsula from which raids had been launched across the Israeli frontier." Starke, "Introduction to International Law," fourth edition, London, 1958, at page 83 et seq.

When Great Britain and France introduced their troops into the Sinai Peninsula, under claim of a threat to their vital interests, the "preponderant reaction of the rest of the world was to condemn this action as *inter alia*, a breach of the United Nations Charter." Starke, "Introduction to International Law," fourth edition, London, 1958, at pages 85-88.

When the Soviet Union suggested a joint military operation with the United States to restore the peace in the Middle East, Secretary of State John Foster Dulles rejected this proposal as "unthinkable" (New York Times, November 6, 1956). Dulles declared:

"Any intervention by the United States and/or Russia, or any other action, except by a duly constituted United Nations peace force would be counter to everything the General Assembly and the Secretary General of the United Nations were charged by the charter to do in order to secure a United Nations police cease-fire."

At a news conference on November 8, 1956, President Eisenhower, answering an announcement of the Soviet Union at that time, declared that the United States would oppose the dispatch of Russian "volunteers" to aid Egypt, saying that it would be the duty of all United Nations members, including the United States, under the clear mandate of the United Nations Charter to counter any

law, binding upon all officials and all governmental institutions. Art. I, sec. 2, clause 2, of the U.S. Constitution confers power upon the President to make treaties with the concurrence of two-thirds of the Senate. Art. VI, clause 2, of the U.S. Constitution provides that treaties so made, together with the Constitution and the laws of the United States made pursuant thereto, are "the Supreme Law of the Land." *Missouri v. Holland*, 252 U.S. 416, 432-434; *Hines v. Davidowitz*, 312 U.S. 52, 62-63; *United States v. Pink*, 315 U.S. 203, 230-231; *Clark v. Allen*, 331 U.S. 503-508.

"The constitutional validity of the 'Uniting for Peace' resolution adopted in 1950, is disputed.

Soviet military intervention in the Middle East. The President said:

"The United Nations is alone charged with the responsibility of securing the peace in the Middle East and throughout the world." United Nations Action in the Suez Crisis. Tulane Studies in Political Science, volume IV entitled "International Law in the Middle East Crisis."

To the fundamental, substantive and procedural requirements and conditions vesting sole authority in the United Nations to authorize utilization of force, there are only two exceptions set forth in the charter. The first exception is found in article 51 of chapter 7:

"Nothing in the present charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a member of the United Nations, until the Security Council has taken measures to maintain international peace and security."

Article 51 of the charter marked a serious restriction on the traditional right of self-defense. As was stated by Prof. Philip C. Jessup in his work, "A Modern Law of Nations," published in 1947 (at pp. 165-166):

"Article 51 of the charter suggests a further limitation on the right of self-defense: it may be exercised only 'if an armed attack occurs.' \* \* \* This restriction in article 51 very definitely narrows the freedom of action which states had under traditional law. A case could be made out for self-defense under the traditional law where the injury was threatened but no attack had yet taken place. Under the charter, alarming military preparations by a neighboring state would justify a resort to the Security Council, but would not justify resort to anticipatory force by the state which believed itself threatened."

The traditional right of self-defense, even prior to the adoption of the United Nations charter, was limited. As stated by Secretary of State Daniel Webster in the Caroline case,<sup>4</sup> and as adopted in the Nuerenberg Judgment in 1945, any resort to armed force in self-defense must be confined to cases in which "the necessity of that self-defense is instant, overwhelming and leaving no choice of means and no moment of deliberation."

In expressly limiting independent military action to instances of armed attack, the founding nations explicitly and implicitly rejected the right to the use of force based on the familiar claim of "anticipatory self-defense," or "intervention by subversion," or "pre-emptive armed attack to forestall threatened aggression," and similar rationale. Such concepts were well known to the founding nations if only because most of the wars of history had been fought under banners carrying or suggesting these slogans. More importantly for our purposes here, however, the United States was aware of these precepts before the Senate ratified the United Nations Charter and consciously ac-

<sup>5</sup> In support of his views, Professor Jessup noted:

"The documentary record of the discussions at San Francisco does not afford conclusive evidence that the suggested interpretation of the words 'armed attack' in Article 51 is correct, but the general tenor of the discussions, as well as the careful choice of words throughout Chapters VI and VII of the Charter relative to various stages of aggravation of dangers to the peace, support the view stated." (Jessup, "A Modern Law of Nations," p. 166.)

<sup>6</sup> See, Louis Henkin (Professor of Law and International Law and Diplomacy, Columbia University), 57 "American Society of International Law Proceedings," 1963, at p. 152, Moore's "Digest of International Law," vol. II, p. 412.

<sup>7</sup> Henken, *ibid*.

\*For a historical background, see Robert Scheer, "How the United States Got Involved in Vietnam" (A Report to the Center for the Study of Democratic Institutions, Post Office Box 4068, Santa Barbara, Calif., 93103); sample copy free.

<sup>1</sup> President Johnson, in his news conference of July 29, 1965, stated:

"I have today ordered to Vietnam the Air Mobile Division and certain other forces which will raise our fighting strength from 75,000 to 125,000 men almost immediately. Additional forces will be needed later, and they will be sent as requested." (Presidential Documents, vol. 1, No. 1, p. 15, Aug. 2, 1965.)

<sup>2</sup> See Historical Note under title 22, United States Code, sec. 287. By the act of Dec. 20, 1945, c. 583, 59 Stat. 619 (22 U.S.C. 287-287e), Congress enacted "The United Nations Participation Act of 1945," empowering the President to appoint representatives to the United Nations and to render various forms of assistance to the United Nations and the Security Council under specified terms and conditions.

<sup>3</sup> The treaties to which the United States is a signatory are a part of the fundamental



quiesced in their rejection as a basis for independent armed intervention.<sup>8</sup>

It has been authoritatively said that the exceptional circumstances stipulated in article 51 are "clear, objective, easy to prove and difficult to misinterpret or to fabricate."<sup>9</sup> The wording was deliberately and carefully chosen.<sup>10 11</sup>

Hence article 51 can under no circumstances afford a justification for U.S. intervention in Vietnam, since the Saigon regime is indisputably not a member of the United Nations and, indeed, under the Geneva Accords of 1954, South Vietnam is merely a temporary zone not even qualifying politically as a state (See Section II *infra*), even if it be assumed that an "armed attack," within the meaning of article 51, has occurred against South Vietnam. For, as has been shown, article 51 is operative only in the event of "an armed attack against a member of the United Nations." Hence, neither the right of individual self-defense nor the right of collective self-defense can become operative.

It has been claimed that United States intervention in Vietnam is sanctioned under article 51 on the ground (1) that South Vietnam is an independent state; (2) that South Vietnam had been the victim of an armed attack from North Vietnam and (3) that the United States, with the consent of South Vietnam, was engaging in "collective self-defense" of that country, as claimed by the United States in a communication to the United Nations Security Council in March, 1965 (U.N. Chronicle, vol. 2, p. 22). To sustain this claim, all three elements must be satisfied.

This claim is untenable, however, on several grounds. First, South Vietnam was not recognized as an independent state at the 1954 Geneva Conference (see sec. II, *infra*). Even if it had become a *de facto* state in the course of events since 1954, the infiltrations from North Vietnam cannot be deemed to constitute an "armed attack" within the purview of article 51.

Since the Geneva Accords recognized all of Vietnam as a single state, the conflict whether of the Vietcong or Ho Chi Minh against South Vietnam is "civil strife" and foreign intervention is forbidden, because civil strife is a domestic question—a position insisted upon by the United States in its civil war of 1861. Ho Chi Minh can compare his position in demanding union of Vietnam with that of Lincoln, when Britain and France were threatening to intervene to assure the independence of the Confederacy (and with the added point that the national elections mandated for 1956 in the Geneva Accords were frustrated by South Vietnam with apparent support of the United States; see sec. II, *infra*). Nor should it be overlooked that Lincoln had very little support from the people of the South, who generally supported the Confederacy, while Ho Chi Minh has a great deal of support from the people in South Vietnam organized in the National Liberation Front whose military arm is the Vietcong. There is, therefore, a basic issue whether the hostilities in Vietnam constitute external aggression (by North Vietnam) or "civil strife." Here it

should be noted that the United Nations is authorized to intervene where civil strife threatens international peace, as the United Nations did in the Congo, in accord with article 39 of the charter—but individual states are not permitted to intervene unilaterally.

The third element requisite for the invocation of the right of collective self-defense under Article 51 presupposes that the nations invoking such right are properly members of a regional collective system within the purview of the United Nations Charter. The point here involved is: Can the United States validly be a genuine member of a regional system covering southeast Asia. Article 51 and Article 53, dealing with regional systems, were interrelated amendatory provisions intended primarily to integrate the inter-American system with the United Nations organization (see fn. 8, 13, 15). The concept that the United States—a country separated by oceans and thousands of miles from southeast Asia and bereft of any historical or ethnic connection with the peoples of southeast Asia—could validly be considered a member of a regional system implanted in southeast Asia is utterly alien to the regional systems envisaged in the charter. The "Southeast Asia Collective Defense Treaty"—connecting the United States with southeast Asia, architected by Secretary of State Dulles, is a legalistic artificial formulation to circumvent the fundamental limitations placed by the United Nations Charter on unilateral actions by individual members. However ingenuous—or disingenuous—the Dulles approach, SEATO is a caricature of the genuine regional systems envisaged by the U.N. Charter. A buffalo cannot be transformed into a giraffe however elongated its neck may be stretched. The Dulles approach to collective defense treaties employed legal artifice to circumvent the exclusive authority vested in the United Nations to deal with breaches in the peace. Articles 51 and 53 were intended to make a bona fide integration of regional systems of cooperation with the world system of international security—but these envisaged regional systems which historically and geographically developed into a regional community—not contemplating a regional system which fused a region like southeast Asia with a country on the North American Continent. SEATO is not a regional agency within the letter or spirit of the U.N. Charter as to authorize the United States to claim the right of collective self-defense even if there had been an armed attack on a member of the United Nations geographically located in southeast Asia. If artifices like SEATO were sanctioned, the path would be open for the emasculation of the United Nations organization and the world system of international security assiduously developed to prevent the scourge of war.

Hence article 51 cannot be properly invoked for (1) South Vietnam does not have the political status of a state; (2) even if South Vietnam were deemed a *de facto* state, the infiltrations do not constitute an "armed attack" within the purview of article 51; and (3) the United States cannot claim the right of "collective self-defense" in respect of a regional system involving southeast Asia.

Apart from article 51 (inapplicable to the situation here), the only other exception to the renunciation of the "threat or use of force" by member states is found in chapter VIII of the charter dealing with regional arrangements. Article 53 of said chapter contains two paragraphs of particular significance:

(a) "The Security Council shall, where appropriate, utilize such regional arrangements or agencies for enforcement action under its authority. But no enforcement action shall be taken under regional arrangements or by regional agencies without the

authorization of the Security Council, with the exception of measures against an enemy state, as defined in paragraph 2 of this article." (Ch. VII, art. 53(1).)

Paragraph two of that article provides:

(b) "The term enemy state as used in paragraph 1 of this article applies to any state which during the Second World War has been an enemy of any signatory of the present charter."

With respect to regional arrangements therefore, it is clear that no enforcement action may be undertaken without the authorization of the Security Council of the United Nations, save and except in only one instance; against any state which, during World War II, was an enemy of any of the charter,<sup>12</sup> to wit, Germany, Italy and Japan. Since Vietnam was manifestly not an "enemy state" within the purview of article 53(b), enforcement action under SEATO is unauthorized and cannot be justified in view of the express restrictions set out under article 53(a) of the United Nations Charter.

In summary, the United Nations Charter obligates all of its signatory members to refrain from the threat or use of force, and only the Security Council (apart from the residual authority (see footnote 4) granted the General Assembly under the "uniting for peace" resolution) is authorized to determine the existence of any threat to the peace, breach of the peace or act of aggression and to determine the measures to be taken to maintain or restore international peace. To these salient provisions, there are only two exceptions: the first, the right to self-defense if an armed attack occurs against a member of the United Nations; and, the second, the right of nations to enter into appropriate "regional arrangements," subject, however, to the provision that no enforcement action shall be taken under such arrangements without the authorization of the Security Council, the only exception to the latter requirement being with respect to measures against an enemy state, as defined in the charter.

We have shown that none of the aforementioned exceptions can be invoked by the U.S. Government with respect to its conduct in Vietnam. It follows therefore that the fundamental requirements of the United Nations Charter with respect to the renunciation of force and the threat of force are directly applicable to the actions of the United States.

One other noteworthy charter provision is article 103 which subordinates all regional and treaty compacts to the United Nations Charter.

"In the event of a conflict between the obligations of the members of the United Nations under the present charter and their obligations under any other international agreement, their obligations under the present charter shall prevail." (Ch. XVI, art. 103.)

This supremacy clause was drafted to meet the predictable reassertion of dominance by the great powers within their respective geographic zones or hemispheres. Because of the unhappy history of a world fragmented by such "spheres of influence," the supremacy clause and the restrictions on the use of force under regional agreements emerge as limitations upon the superpowers even within their own geographic zones. It is significant that the United States not

<sup>8</sup> Hearings on U.N. Charter, Committee on Foreign Relations, U.S. Senate, 79th Cong., 1st sess., July 9-13, 1945, at p. 210.

<sup>9</sup> Henkin, *ibid.*

<sup>10 11</sup> " \* \* \* at the Conference itself, every word, every sentence, every paragraph of the Charter's text was examined and reconsidered by the representatives of 50 nations and much of it reworked." (Report to the President on the results of the San Francisco Conference [by the Chairman of the U.S. Delegation, i.e., the Secretary of State, June 26, 1945], hearings on U.N. Charter, Committee on Foreign Relations, U.S. Senate, 79th Cong. 1st Sess., at p. 41.)

<sup>12</sup> The reason for this exception appears clear. When the charter was signed in San Francisco on June 26, 1945, peace treaties had not yet been finally signed by the allied nations with each of the enemy states. Reparations, sanctions, territorial changes, had not then been finalized. And so, in order to permit necessary flexibility in these respects, this sharply limited exception, permitting action against an enemy state in World War II by an allied government, was spelled out.

only accepted these limitations, but actively supported their incorporation within the charter.<sup>13</sup>

Article 103 makes clear that the obligations of the United Nations Charter prevail vis-à-vis the obligations of the SEATO treaty. Indeed, article VI of the SEATO expressly recognizes the supremacy of the United Nations Charter (see sec. II, infra). Moreover the frequent citation by President Johnson of the pledges given by Presidents Eisenhower, Kennedy, and himself to aid South Vietnam afford no justification for U.S. inter-

<sup>13</sup> Hearings on U. N. Charter, Committee on Foreign Relations, U.S. Senate, 79th Cong. 1st sess., supra, n. 6, at p. 306.

On May 15, 1945, Secretary of State Stettinius issued a statement at the San Francisco Conference regarding the Act of Chapultepec vis-à-vis the United Nations organization which declared (so far as here pertinent); Hearings on U. N. Charter, op. cit., p. 306;

"As a result of discussions with a number of interested delegations, proposals will be made to clarify in the charter the relationship of regional agencies and collective arrangements to the world organization.

"These proposals will—

"1. Recognize the paramount authority of the world organization in all enforcement action.

"2. Recognize that the inherent right of self-defense, either individual or collective, remains unimpaired in case the Security Council does not maintain international peace and security and an armed attack against a member state occurs. Any measures of self-defense shall immediately be reported to the Security Council and shall in no way affect the authority and responsibility of the Council under the charter to take at any time such action as it may deem necessary to maintain or restore international peace and security.

"3. Make more clear that regional agencies will be looked to as an important way of settling local disputes by peaceful means."

The first point is already dealt with by the provision of the Dumbarton Oaks proposals (ch. VIII, sec. C, par. 2) which provides that no enforcement action will be taken by regional agencies without the authorization of the Security Council. It is not proposed to change this language.

The second point will be dealt with by an addition to chapter VIII of a new section substantially as follows:

"Nothing in this chapter impairs the inherent right of self-defense, either individual or collective, in the event that the Security Council does not maintain international peace and security and an armed attack against a member state occurs. Measures taken in the exercise of this right shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under this charter to take at any time such action as it may deem necessary in order to maintain or restore international peace and security."

The third point would be dealt with by inclusion of a specific reference to regional agencies or arrangements in chapter VIII, sec. A, par. 3, describing the methods whereby parties to a dispute should, first of all, seek a peaceful solution by means of their own choice.

The United States delegation believes that proposals as above outlined if adopted by the Conference would, with the other relevant provisions of the projected charter, make possible a useful and effective integration of regional systems of cooperation with the world system of international security.

This applies with particular significance to the long established inter-American system.

vention in Vietnam.<sup>14</sup> In the first place, these pledges or commitments do not even have the status of treaties, for these Presidential pledges have not been ratified by the Senate. And even if these Presidential pledges had been solemnly ratified by the Senate, any obligations thereunder must yield to the obligations imposed under the United Nations Charter by virtue of the supremacy clause embodied in article 103. Nor would the illegality of U.S. intervention in Vietnam be altered by the circumstance that the Saigon regime may have invited the United States to assume its role in the Vietnam conflict. The supremacy clause of the charter manifestly prevails and cannot be annulled by mutual agreement of third parties.

It is by virtue of the supremacy clause that the Secretary General of the United Nations has called the world's attention to the emasculation of the authority of the United Nations resulting from actions taken by regional agencies without reference to the Security Council.

We believe that any fair study of the United Nations Charter will affirm the observations of Prof. Lewis Henkin, of Columbia University, when he speaks "of the law of the charter":

"So far as it purports to prescribe for the conduct of nations, it consists, basically, of one principle: Except in self-defense against armed attack, members must refrain from the threat or use of force against other states \* \* \* the rule of the charter against unilateral force in international relations is the essence of any meaningful concept of law between nations and the foundation on which rests all other attempts to regulate international behavior. It is a rule which all nations have accepted and which all have a common interest essential to law."<sup>15</sup>

It appears difficult to escape the conclusion therefore, in the light of the aforesaid, that the action of the U.S. Government in Vietnam contravenes essential provisions of the United Nations Charter. The U.S. Government has decided for itself to use armed forces in South Vietnam and to bomb North Vietnam without authorization of the Security Council or the General Assembly of the United Nations. The failure of the United

"President Johnson, in his news conference of July 28, 1965, declared:

"Moreover, we are in Vietnam to fulfill one of the most solemn pledges of the American Nation. Three Presidents—President Eisenhower, President Kennedy, and your present President—over 11 years have committed themselves and have promised to help defend this small and valiant nation" (Presidential Documents, vol. 1, No. 1, p. 15). President Eisenhower has stated that his administration had made no commitment to South Vietnam "in terms of military support on programs whatsoever" (the New York Times, Aug. 18, 1965, p. 1).

<sup>15</sup> Henkin, in 57 "American Society of International Law Proceedings," 1963, supra, n. 6, at p. 148. See also in further explication of Professor Henkin's succinct conclusion: Statements of Hon. Edward R. Stettinius, Jr., Secretary of State, the testimony of Senator Millikin, and the testimony of Mr. Pasvolovsky, Special Assistant to the Secretary of State for International Organization and Security Affairs, in hearings on U.N. Charter, Committee on Foreign Relations, U.S. Senate, 79th Cong., 1st sess., supra, n. 8, at pp. 34-147, 210, 95-100 and 304-307; Jessup, "A Modern Law of Nations" (1947); Proclamation of Athens and Declaration of General Principles for a World Rule of Law, adopted by the First World Conference on World Peace Through Law, Athens, Greece, July 6, 1963; Francis T. P. Plimpton, U.S. Representative to the United Nations, State Department Bulletin, vol. XLIX, No. 1278, Dec. 23, 1963, pp. 978-979.

States to honor its obligations under the United Nations Charter is a regrettable but inescapable conclusion which we as lawyers have been compelled to reach. We, as lawyers, urge our President to accept the obligations for international behavior placed upon us by our signature of the United Nations Charter.

## II—THE UNITED STATES IN VIETNAM: THE 1954 GENEVA ACCORDS AND THE SEATO TREATY

Officials of the U.S. Government have nevertheless asserted, on different occasions, that the actions of the United States in Vietnam are consistent with the U.S. duties and obligations under the United Nations Charter and sanctioned by the treaty creating the Southeast Asia Treaty Organization (SEATO).<sup>16</sup> The conduct of the U.S. Government has been justified as support of a legitimate government defending itself against insurrection from within and aggression from without. We have demonstrated above that even if this latter position were accepted on its face, unilateral conclusions and actions taken by the Government of the United States upon the basis of such conclusions are violative of the firm obligations under the United Nations Charter. However, we do not let the matter rest with this assertion, but proceed to an examination of the validity of the claims made by the U.S. Government in support of its conduct in Vietnam.

The Geneva agreement, under which the war between Vietnam and the French was terminated, effected the division of Vietnam into north and south, at the 17th parallel. The said "agreement on the cessation of hostilities in Vietnam," entered into in Geneva on July 20, 1954, provided that the division of Vietnam at the 17th parallel was only "a provisional military demarcation line," on either side of which the opposing forces could be "regrouped"—"the forces of the Peoples Army of Vietnam to the north of the line and the forces of the French Union to the south" (ch. I, art. 1).<sup>17</sup>

The Geneva agreement makes plain that the division of the 17th parallel was to be temporary and a step in the preparation for a general election to elect a government for a unified nation. Pending such election, "civil administration in each regrouping zone [was to] be in the hands of the party whose forces are to be regrouped there" [art. 14(a)].

The day after the aforesaid cease-fire agreement was entered into, representatives of Cambodia, the Democratic Republic of Vietnam (Vietminh), Laos, France, the Peoples Republic of China, the U.S.S.R., and the United Kingdom affirmed The Final Declaration of the Geneva Conference on the Problems of Restoring Peace in Indochina, July

<sup>16</sup> Geneva Conf. Doc. No. IC/42/Rev. 2, in 1 "American Foreign Policy"; 1950-55 Basic Documents 750; New York Times, July 24, 1954, p. 4.

<sup>17</sup> It is relevant to note that at the time this provision was agreed upon, the Vietminh occupied all but a few "islands" of territory to the north of the 17th parallel as well as approximately two-thirds of the territory south of that line. See map showing areas of South Vietnam under Vietminh control at end of May 1953 in Henri Navarre, "Agonie de L'Indo-Chine" (1953-54) (Paris, 1956) p. 37. Thus, by the cease-fire agreement the Vietminh gave up substantial areas of territory in what is now called South Vietnam.

An article in the New Republic, May 22, 1965, p. 29, by the Honorable Henry W. Edgerton, senior circuit judge of the U.S. Court of Appeals for the District of Columbia, brilliantly delineates the provisional character of the "Government" of South Vietnam and casts doubt on the juridical claim to the existence of that government.



21, 1954.<sup>18</sup> The declaration emphasized that the north-south division was solely a means of ending the military conflict and not the creation of any political or territorial boundary. Article 6 of the declaration stated:

"The Conference recognizes that the essential purpose of the agreement relating to Vietnam is to settle military questions with a view to ending hostilities and that the military demarcation line is provisional and shall not in any way be interpreted as constituting a political or territorial boundary."

This constitutes a recognition of the historical fact that Vietnam is a single nation, divided into two zones only temporarily for administrative purposes pending an election. This being so, the action of the North Vietnamese in aiding the South Vietnamese, to the extent that it has taken place, neither affects the character of the war as a civil war nor constitutes foreign intervention. It cannot be considered an armed attack by one nation on another.

The United States is in fact a foreign nation vis-a-vis Vietnam; North Vietnam is not. The latter by the Geneva Agreement was to participate in an election not to determine whether North and South Vietnam should be united, but to select a government of the nation of Vietnam, constituting all of Vietnam—north, south, east, and west. It was the refusal on the part of the Diem regime and the subsequent "governments" of the south, supported by the United States, to participate in such elections that opened the door to the present conflict.

It was also stated in the declaration that the clear objective of settling political problems and unifying the nation was to be by means of free general elections. Article 7 of the declaration provided:

"The Conference declares that so far as Vietnam is concerned, the settlement of political problems effected on the basis of respect for the principles of independence, unity and territorial integrity, shall permit the Vietnamese people to enjoy the fundamental freedoms, guaranteed by democratic institutions established as a result of free general elections by secret ballot. In order to insure that sufficient progress in the restoration of peace has been made, and that all the necessary conditions obtain for free expression of the national will, national elections shall be held in July 1956, under the supervision of an International Commission."<sup>19</sup>

The reference to "national elections" reinforces the evidence of the historical status of Vietnam as a single nation. To present the picture, as the United States repeatedly has done, as though North Vietnam were an interloper having no organic relationship to South Vietnam is to ignore both the ap-

plicable legal principles and treaties and the facts of history.

Although the United States participated in the discussion leading up to the Geneva accords, it did not sign the final declaration. Instead, the U.S. Government, through its Under Secretary of State, Walter Bedell Smith, made its own unilateral declaration<sup>20</sup> on July 21, 1954. In this declaration, the United States took note of the Geneva agreements and declared that the United States would "refrain from threat or the use of force to disturb them, in accordance with article 2(4) of the Charter of the United Nations dealing with the obligation of members to refrain in their international relations from the threat or use of force."

Referring to free elections in Vietnam, the United States declaration stated:

"In the case of nations now divided against their will, we shall continue to seek to achieve unity through elections supervised by the United Nations to insure that they are conducted fairly."<sup>21</sup>

Thus the United States recognized the fact that Vietnam was a single nation. Nevertheless the justification of United States policy today ignores this admitted fact. The United States persists in its denial that it is intervening in a civil war. It seeks to justify the bombing of North Vietnam by the United States on the basis that North Vietnam is a foreign aggressor in South Vietnam.

Nor is this all. The United States further pledged "that it will not join in any arrangement which will hinder" the reunification of Vietnam, and concluded with the hope that:

"The agreement will permit Cambodia, Laos, and Vietnam to play their part, in full independence and sovereignty in the peaceful community of nations, and will enable the peoples of the area to determine their own future."

No election was ever held pursuant to the Geneva Accords, although both the International Control Commission (composed of India, Poland, and Canada) and the United Nations announced readiness to supervise such elections. South Vietnam announced that it did not regard itself obliged to take part in the elections because the participation of North Vietnam would render such elections not free, a position apparently supported by the State Department.<sup>22</sup> In 1955,

<sup>18</sup> See "Extracts From Verbatim Records of Eighth Plenary Session," Geneva Accords.

<sup>19</sup> Nowhere in its own declaration did the United States recognize the political partition of Vietnam; insofar as it referred to the country, it designated it as "Vietnam," not "South Vietnam" and "North Vietnam."

<sup>20</sup> See, Question No. 7, "Questions and Answers on Vietnam," Department of State publication No. 7724, August 1964, p. 8. See also footnote 19, George McT. Kahin and John W. Lewis, professors of government at Cornell University, in their article, "The United States in Vietnam," which appeared in the June 1965 issue of the Bulletin of Atomic Scientists, note (op. cit. p. 31):

"When on July 16, 1955, the Diem government announced, with American backing, that it would defy the provision calling for national elections, it violated a central condition which had made the Geneva Accords acceptable to the Vietminh. Regardless of what sophistry has been employed to demonstrate otherwise, in encouraging this move the United States departed from the position taken in its own unilateral declaration. And France in acquiescing abandoned the responsibility which she had unequivocally accepted a year earlier."

(Citing—Allan B. Cole, ed., "Conflict in Indo-China and International Repercussions," a documentary history, 1945-1955 (Ithaca, N.Y.) 1956, pp. 226-228; and Donald Lancaster, "The Emancipation of French Indo-China" (Oxford, 1961), pp. 370-372.

following the Geneva Accords, then Prime Minister of State Diem repudiated the Geneva Agreements and refused to hold the elections. Former President Dwight D. Eisenhower, in his Memoirs, suggests a further reason for Diem's refusal to hold elections pursuant to the Geneva Accords:

"I have never talked or corresponded with a person knowledgeable in Indo Chinese affairs who did not agree that had elections been held at the time of the fighting possibly 80 percent of the population would have voted for the Communist Ho Chi Minh as their leader rather than Chief of State Bao Dai."<sup>23</sup>

The consequences of the repudiation of the Geneva Accords were delineated by Senator ERNEST GRUENING in a speech to the Senate on April 9, 1965:

"That civil war began—let me repeat, because this is crucial to the issue—when the Diem regime—at our urging—refused to carry out the provision contained in the Geneva Agreement of 1954 to hold elections for the reunification of Vietnam. That was one of the underlying conditions of the Geneva agreement. The civil war began and has continued with intensified fury ever since \* \* \*. For over 800 years, before its conquest by France, Vietnam was a united country. After defeating the French in 1954, the Vietnamese went to the conference table at Geneva, agreeing to a settlement only on condition that reunification elections be held. Yet, nowhere in President Johnson's speech of April 7, 1965, at Johns Hopkins University is there held out a hope of ultimate reunification of Vietnam. He conditioned the ultimate peace 'upon an independent South Vietnam instead'."

In view of all of the aforesaid, the assumptions and justifications for our governmental policy in Vietnam do not appear to have support, either in law or in fact. The conduct of the U.S. Government in Vietnam appears plainly to violate the terms of the Geneva Accords and to repudiate solemn pledges to "refrain from the threat or the use of force" to disturb the Geneva Accords.

Moreover, nothing in the provisions of the southeast Asian Collective Defense Treaty would appear to justify the conduct of the U.S. Government in Vietnam. The SEATO Treaty was signed in Manila some 7 weeks after the signing of the Geneva Agreement on the Cessation of Hostilities in Vietnam. The SEATO Treaty became effective in February 1955, following the treaty ratification by eight member states—the United States, France, Great Britain, Australia, New Zealand, Thailand, Pakistan, and the Philippine Islands.

By the preamble and by Article I of the SEATO Treaty, the parties acceded to the principles and supremacy of the United Nations Charter in accordance with article 103 thereof, which it will be recalled, provides as follows:

"In the event of a conflict between the obligations of the members of the United Nations under the present charter and their obligations under any other international agreement, their obligations under the present charter shall prevail."

The supremacy of this provision was expressly reiterated by the eight SEATO nations under article VI of said treaty, in which each solemnly agreed that the SEATO Treaty:

"\* \* \* does not affect the rights and obligations of any of the parties under the Charter of the United Nations, or the responsibility of the United Nations for the maintenance of international peace and security."

The key provisions of the SEATO Treaty are to be found in article IV. Paragraph 1

<sup>23</sup> Dwight D. Eisenhower, "Mandate for Change: The White House Years, 1953-1956" (London, 1963), p. 372.

<sup>18</sup> See "Further Documents Relating to the Discussion of Indo-China at the Geneva Conference" June 16-July 21, 1954 (London) (Her Majesty's Stationery Office, Cmd 9239), 1954 (referred to as "Geneva Accords"). The French-sponsored Bao Dai regime, which was not endowed as yet with any real political substance, did not sign the Geneva accord; not until 1956 did France relinquish control over South Vietnam; the Republic of Vietnam was proclaimed on Oct. 26, 1955, but French troops were not completely evacuated from the country until Nov. 1, 1956.

<sup>19</sup> Note that article 7 stipulates that the elections were to be antecedent to and a necessary condition for the "fundamental freedoms, guaranteed by democratic institutions" and that the elections were to be held "in order to insure \* \* \* that all the necessary conditions obtain for free expression of the national will." This particular portion of the Geneva Accord has frequently been quoted out of context, with the key phrases in reverse order, in order to justify the refusal to hold elections on the grounds that the necessary conditions did not exist.

thereof permits the use of force by one or more member states only in the event of "aggression by means of armed attack." But where the integrity or inviolability of any territory covered by the treaty is threatened "by other than armed attack" or "by any fact or situation which might endanger the peace of the area," then, paragraph 2 of article IV requires, as a prerequisite to intervention, that "the parties shall consult immediately in order to agree on the measures to be taken. \* \* \*

The consent of all eight SEATO nations was originally required before any military action under article IV could be undertaken by any of them (New York Times, May 28, 1962). Later, this rule was modified so that action could be undertaken if there was no dissenting vote—i.e., an abstention would not count as a veto (New York Times, April 19, 1964). At the last two annual meetings of the Ministerial Council of SEATO, France has refused to support a communique pledging SEATO backing for South Vietnam against the Vietcong (New York Times, April 15-16, 1964; May 3-6, 1965; see also, Los Angeles Times, May 3-4, 1965). It would appear that with the threat of a French veto a formal SEATO commitment in Vietnam has not been sought by the United States. However, even if there had been unanimity among the SEATO nations, the provisions of article 53 of chapter VIII of the United Nations Charter will still prevail:

"But no enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council. \* \* \*

Manifestly, no such authorization has ever been conferred, either by the Security Council of the United Nations, or by the General Assembly, from which it follows that American action in Vietnam clearly cannot be supported by reference to SEATO.

So long as the United States remains a member of the United Nations, our right to intervene is circumscribed by the provisions of the United Nations Charter. As members of SEATO, our right to intervene is limited, both by the requirement for unanimity among all of the eight treaty nations and, in addition, by the superseding requirement of article 53 of chapter VIII of the United Nations Charter, prohibiting any enforcement action under a regional arrangement without the authority of the Security Council. Our justification for acting contrary to our solemn obligations under the United Nations Charter appears tenuous and insubstantial. The fact of the matter is that the U.S. Government has simply acted as its own judge of its own interests in patent disregard of the fundamental law embodied in the United Nations Charter.

### III—CONSTITUTIONAL ASPECTS OF UNITED STATES INTERVENTION IN VIETNAM

This disregard of the rules of the charter, inherent in U.S. intervention in Vietnam, is compounded by the fact that such intervention is also violative of our own Constitution. Whatever doubts may have existed prior to the President's "Report to the Nation Following a Review of U.S. Policy in Vietnam" (set out at his news conference on July 28, 1965), as to whether U.S. action in Vietnam constituted the conduct of a war, the President in that report made it explicitly clear that "this is really war," noting that "our fighting strength" was being raised from 75,000 to 125,000 "almost immediately"

and that "additional forces will be needed later, and they will be sent as requested." Can the President's conduct be squared with our Constitution (apart from the obligations imposed upon member states by the United Nations Charter)?

It is the genius of our constitutional system that ours is a government of checks and balances. A dangerous concentration of power is avoided by the separation—in Articles I, II, and III of the Constitution—of the legislative, executive, and judicial powers. The doctrine of "separation of powers" is fundamental to, and is one of the "great structural principles of the American constitutional system."<sup>25</sup> The Supreme Court has recently characterized this "separation of powers" as "a bulwark against tyranny." *United States v. Brown*,—U.S.—, 33 Law Week 4603 (June 7, 1965). The Supreme Court had earlier said:

"The power to make the necessary laws is in Congress; the power to execute in the President. Both powers imply many subordinate powers. Each includes all authority essential to its due exercise. But neither can the President, in war more than in peace, intrude upon the proper authority of Congress, nor Congress upon the proper authority of the President." *Ex parte Milligan*, 4 Wall 2, 139 (1866).

Classically stated by Blackstone<sup>26</sup> and derived from Plato, Aristotle, Polybius, Cicero, Machiavelli, Harrington, Locke, and Montesquieu,<sup>27</sup> this constitutional separation of powers was deliberately carried over by the Framers into the conduct of foreign affairs. For, contrary to widely held assumptions, the power to make and conduct foreign policy is not vested exclusively in the President, but is divided between him and Congress, with each endowed with complementary, but separate<sup>28</sup> powers and responsibilities.<sup>29</sup>

Thus, in making and carrying out general foreign policy, Article II, Section 2 requires the President to have the "Advice and Consent of the Senate, to make Treaties, provided two-thirds of the Senators present concur." And the President also requires the advice and consent of the Senate to "appoint Ambassadors, other public Ministers and Consuls."

When statecraft fails and the question becomes the ultimate one of war or peace, the Constitution imposes a tight rein upon the President. His participation ends at the threshold of the decision whether or not to declare war. Under Article I, Section 8, Clause 11, that power is confided exclusively

<sup>25</sup> Corwin, "The President: Office and Powers" (New York, 1957), p. 9.

<sup>26</sup> Blackstone, "Commentaries on the Law of England," 146 (7th ed. 1775).

<sup>27</sup> Cf., Sharp, "The Classical American Doctrine of 'Separation of Powers'," 2 U. of Chi. L. Rev. 385 (1935).

<sup>28</sup> "One of the most striking facts in the institutional philosophic history of the United States (is) that the legislative-executive quarrels during the colonial period convinced the colonists of the desirability of a separation of powers rather than a union of powers." Wright "Consensus and Continuity," p. 17 (Boston, 1958).

<sup>29</sup> "The doctrine of separated powers is implemented by a number of constitutional provisions, some of which entrust certain jobs exclusively to certain branches, while others say that a given task is not to be performed by a given branch." *United States v. Brown*, *supra*—U.S. at p. —, 33 Law Week, at p. 4605.

<sup>30</sup> Story, "Commentaries on the Constitution" (Boston, 1833), *passim*; Dahl, "Congress and Foreign Policy" (New Haven, Conn., 1950); Robinson, "Congress and Foreign Policy-Making: A Study in Legislative Influence and Initiative" (Ill., 1962).

to the Congress.<sup>30</sup> There is no mention of the President in connection with the power to "declare war." Under the Constitution, Congress alone must make this decision. The Clause does not read "on recommendation of the President," nor that the "President with advice and consent of Congress may declare war." As former Assistant Secretary of State James Grafton Rogers has observed: "The omission is significant. There was to be no war unless Congress took the initiative." Rogers, "World Policing and The Constitution," p. 21 (Boston, 1945).

"Nothing in our Constitution is plainer than that declaration of war is entrusted only to Congress." *Youngstown Sheet and Tube Company v. Sawyer*, 343 U.S. 579, 642 (1952) (Jackson, J.).

That the President lacks constitutional power to make war is underscored by the historic statement made by President Woodrow Wilson on the night of April 2, 1917 when he addressed the Congress in a joint session:

"I have called the Congress into extraordinary session because there are serious, very serious, choices of policy to be made, and made immediately, which it was neither right nor constitutionally permissible that I should assume the responsibility of making."<sup>31</sup>

President Franklin Roosevelt also heeded his constitutional responsibilities and was also mindful and sensitive of the constitutional limitations applicable to the President when, before a joint session of the Congress on December 7, 1941, he requested the Congress for a declaration of war following Pearl Harbor.

The decision to place the responsibility for declaring war exclusively in Congress as the direct representative of the people, and not even to provide for the President's participation in that decision was a most deliberate one by the Framers.

The Constitutional Convention had been urged to rest the power to declare war, the "last resort of sovereigns, ultima ratio regum," in the executive, or, alternatively, in the Senate. 3 Story, "Commentaries on the Constitution," par. 1166. The arguments were made that "large bodies necessarily move slowly" and "despatch, secrecy, and vigor are often indispensable, and always useful towards success." Story, *ibid*.

When the issue was debated at the Convention, Mr. Gerry stated that he "never expected to hear in a republic a motion to empower the Executive alone to declare war." Madison and Gerry "moved to insert 'declare,' striking out 'make' war; leaving to the Executive the power to repel sudden attacks." The motion carried. Farrand ed., "Records

<sup>30</sup> Article I, Section 8, Clause 11 of the Constitution reads:

"The Congress shall have the power:

\* \* \*

"1. To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water."

<sup>31</sup> President Wilson went on to say:

"With a profound sense of the solemn and even tragical character of the step I am taking and of the grave responsibilities which it involves, but in unhesitating obedience to what I deem my constitutional duty, I advise that the Congress declare the recent course of the Imperial German Government to be in fact nothing less than war against the Government and people of the United States; that it formally accept the status of belligerent which has thus been thrust upon it; and that it take immediate steps not only to put the country in a more thorough state of defense but also to exert all its power and employ all its resources to bring the Government of the German Empire to terms and end the war."

<sup>24</sup> Presidential Documents, vol. 1, No. 1 (Aug. 2, 1965), pp. 15-19. See also State Department bulletin, April 26, 1965, p. 606; State Department bulletin, May 24, 1965, *passim*; State Department bulletin, May 31, 1965, p. 838; Krock, "By Any Other Name, It's Still War," New York Times, June 10, 1965.



of the Federal Convention" (New Haven, 1911), II, pp. 318-319.<sup>32</sup>

Nowhere in the debates is there support for the view that the President can wage a war or "commit" our Nation to the waging of a war. On the contrary, warmaking was to be a purely legislative prerogative. The only use of force without a declaration of war that was contemplated as the debates clearly show, was "to repel sudden attacks."<sup>33</sup>

These constitutional provisions that only Congress shall have the power to declare war and that Congress has the sole responsibility to raise and support the armies, to provide for a navy, and to impose the taxes to provide the funds to carry on a war, reflected a profound distrust of executive authority and a corresponding reliance upon the legislature as the instrument for the decisionmaking in this vital area. Bemis, "The Diplomacy of the American Revolution" (New York, 1935), pp. 29-35.

These provisions reflected things painfully learned during the early colonial period, when every major European war had its counterpart on the American frontiers. The Colonies were therefore determined to end the imperial authority to decide for them what wars they should enter and what the outcome of those wars should be. Saville, "The American Balance of Power and the European Diplomacy 1713-78," in Morris ed., "The Era of the American Revolution" (New York, 1939), pp. 140-169.

The Convention was not only determined to deny warmaking power to the President, but was also unwilling to entrust it to the Senate alone. To assure the fullest consideration, the Framers therefore provided that the House of Representatives, larger and more representative than the Senate, should also be brought in to decide this vital question. The action and decision of the whole Congress were therefore constitutionally made necessary to this fateful undertaking.

"The Constitution says, therefore, in effect, 'Our country shall not be committed formally to a trial of force with another nation, our people generally summoned to the effort and all the legal consequences to people, rights and property incurred until the House, Senate and the President agree.'"

<sup>32</sup> The Framers concluded and provided "that the power of declaring war is not only the highest sovereign prerogative; but that it is in its own nature and effects so critical and calamitous, that it requires the utmost deliberation, and the successive review of all the councils of the nation. War, in its best estate, never fails to impose upon the people the most burdensome taxes, and personal sufferings. It is always injurious and sometimes subversive of the great commercial, manufacturing, and agricultural interests. Nay, it always involves the prosperity, and not infrequently the existence of a nation. It is sometimes fatal to public liberty itself, by introducing a spirit of military glory, which is ready to follow, wherever a successive commander will lead; and in a republic whose institutions are essentially founded on the basis of peace, there is infinite danger that war will find it both imbecile in defense, and eager for contest. Indeed, the history of republics has but too fatally proved, that they are too ambitious of military fame and conquest, and too easily devoted to the views of demagogues, who flatter their pride and betray their interests. It should therefore be difficult in a republic to declare war; but not to make peace." Story op. cit., § 1166.

<sup>33</sup> Manifestly the residuary power left to the President—"to repel sudden attack" contemplated attacks on the country's geographical territory—not "sudden attacks" in far-off lands, such as southeast Asia. Cf. Tonkin Bay Joint Resolution of Aug. 6-7, 1964, discussed in section IV, infra.

Rogers, "World Policing and the Constitution" (Boston, 1945), p. 35.

Concededly there have been many instances when the President has sent U.S. Armed Forces abroad without a declaration of war by Congress.<sup>34</sup> These have ranged from engagements between pirates and American ships on the high seas to the dispatch of our Armed Forces to Latin American countries.

These precedents cannot justify the present actions without bringing to mind Swift's comment on "precedents" in *Gulliver's Travels*:

"It is a maxim among these lawyers, that whatever hath been done before, may legally be done again; and therefore they take special care to record all the decisions formerly made against common justice and the general reason of mankind. These, under the name of precedents, they produce as authorities to justify the most iniquitous opinions; and the judges never fail to directing accordingly."

Here it is important to distinguish our country's involvement in the Korean war. For the United States fought under the aegis of the United Nations pursuant to a definitive resolution of the Security Council authorizing and directing the employment of Armed Forces of member states, so that the United States was thus performing its solemn obligations undertaken in becoming a signatory of the United Nations Charter, a treaty which is the "Supreme Law of the Land." But in the Vietnamese situation, there has been no authorization by the Security Council; indeed the Security Council has not even been seized of the matter, has not been requested to entertain jurisdiction of the present conflict.

It is therefore unfortunately vitally necessary, although trite, to recall that "the Government of the United States has been emphatically termed a government of laws, and not of men." *Marbury v. Madison*, 1 Cr. 137 (1803). Under a government of laws, the President is not free from the checks of the Constitution of the United States; the President is not free to assume the powers entrusted solely to the Congress. Ours is not a government of executive supremacy.<sup>35</sup>

Here it is fitting to recall that on May 6, 1954, at a time when the fall of Dien Bien Phu was imminent, then Senator Lyndon Johnson, as Democratic leader of the Senate, at a Jefferson-Jackson dinner, criticized the Eisenhower administration in these terms:

"We will insist upon clear explanations of the policies in which we are asked to cooperate. We will insist that we and the American people be treated as adults—that we have the facts without sugar coating."

"The function of Congress is not simply to appropriate money and leave the problem of national security at that."<sup>36</sup>

A New York Times survey (June 14, 1965) reports widespread "uneasiness" over the President's foreign policies: that the American academic world "is intellectually and

<sup>34</sup> See U.S. Senate Committee on Foreign Relations and Committee on Armed Services, hearing, "Situation in Cuba," 87th Cong., 2d sess., Sept. 17, 1962 (Washington, G.P.O., 1932), pp. 82-87; Rogers, op. cit., especially pp. 93-123.

<sup>35</sup> "With all its defects, delays, and inconveniences, men have discovered no technique for long preserving free government except that the executive be under the law, and that the law be made by parliamentary deliberations." Mr. Justice Jackson, concurring in *Youngstown Sheet and Tube Company v. Sawyer*, supra, 343 U.S. at 655 (1952).

<sup>36</sup> Jackson, "Role and Problems of Congress with Reference to Atomic War," May 17, 1954, publication No. L 54-135, Industrial College of the Armed Forces.

emotionally alienated from the President, to whom it gave such strong support in the election"; that there is "increasing—and mutual—hostility between the President and many segments of the press"; that many Democratic Members of Congress are "restive and unhappy \* \* \* over what they regard as [the President's] high-handed manner of making and carrying out decisions in foreign affairs"; that many friendly governments abroad "are apprehensive about Mr. Johnson's use of national power"; that among these views are expressions of "dismay," the unreliability of CIA and FBI reports which the President accepted, the lack of clear policy, the disregard of "principles, support or advice."

It is therefore imperative that Congress guard zealously against any executive usurpation of its exclusive power to declare, or to decline to declare war.

President Johnson has not been unmindful of the damaging consequences inherent in the violation of the separation of powers. As recently as August 21, 1965 the President vetoed a \$1.7 billion military construction bill, calling it "repugnant to the Constitution." In a stern message to Congress, the President described certain sections of the bill as clear violations of the "separation of powers"; warned Congress to stop meddling in the prerogatives of the executive branch (New York Times, August 21, 1965, p. 1). Yet the President has not hesitated to intrude upon the exclusive power vested in Congress to declare war.

IV—CONGRESS HAS NOT DECLARED WAR IN VIETNAM; ITS JOINT RESOLUTIONS ARE NEITHER A SUBSTITUTE FOR A DECLARATION OF WAR NOR DO THEY MAKE PRESIDENT JOHNSON'S WAR-MAKING CONSTITUTIONAL

Congress has not declared war in Vietnam and the President does not claim that any declaration of war supports his actions in Vietnam. In fact, the President is reported to be extremely reluctant to ask Congress directly to declare war.<sup>37</sup> Instead, the President is reported (New York Times, June 19, 1965, p. 10) to believe that authority for his actions may be inferred or extracted from the Tonkin Bay Joint Resolution of August 6-7, 1964 (H.J. Res. 1145; Public Law 88-408, 78 Stat., 384, 88th Cong., 2d sess.) and the Joint Resolution of May 7, 1965 (H.J. Res. 447; Public Law 89-18; 79 Stat. 109, 89th Cong., 1st sess.) making a supplemental appropriation to the Defense Department for the Vietnam operations.

The Tonkin Bay resolution is not a declaration of war. At most, it is an ultimatum—if that. It "approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression." It goes on to express the view that "the maintenance of international peace and security in southeast Asia 'is vital' to the national interests of the United States" and declares the readiness of the United States to take all necessary steps, including the use of armed forces, to assist any member or protocol SEATO state to defend its freedom. The resolution, however, provides that all such steps shall be "consonant with the Constitution of the United States and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty."

It is clear that Congressmen who voted for the Tonkin Bay Joint Resolution were not voting a declaration of war in Vietnam. The resolution does not mention North Vietnam nor China; indeed it does not even mention

<sup>37</sup> Wall Street Journal, June 17, 1965, "The U.S. May Become More Candid on Rising Land-War Involvement," pp. 1, 16.

Vietnam. It was "passed in the fever of indignation that followed reported attacks by North Vietnamese torpedo boats against U.S. fleet units in Tonkin Bay." CONGRESSIONAL RECORD, June 9, 1965, page 12990. There is no evidence that Congress thought or understood that it was declaring war. It took no contemporaneous action which would have implemented a declaration of war. And the remarks of several Members of the House and Senate during and since the debate on the resolution reinforce the conclusion that the Tonkin Bay Resolution was not regarded as a declaration of war. Congress manifestly cannot delegate to the President its exclusive power to declare war; and even under the specific terms of the Tonkin Bay Resolution, the President's actions neither conform nor are consonant with the Constitution—and, as we have seen in the earlier analysis, the President's actions are not consonant with the Charter of the United Nations, nor with the SEATO Treaty.

In passing the May 7, 1965, resolution, authorizing a supplemental appropriation for the Vietnam operations, Congress was confronted with a fait accompli which severely circumscribed its action. Its constitutional check on the will or errors of the Executive was by the President's message, reduced to its power of the purse. Such a circumscription will not necessarily prevent unwise or unpopular decisions or allow for the exercise of the full discretion which the Constitution intended Congress to have, and for it alone to exercise. Nevertheless, a resolution authorizing an appropriation does not constitute a declaration of war, nor can it constitutionally authorize the President to wage an undeclared war.

The presidential assumption of powers vested exclusively in the Congress concern arrogations of power which convert republican institutions, framed for the purpose of guarding and securing the liberties of the citizen, into a government of executive supremacy. If the Constitution has such elastic, evanescent character the provisions for its amendment are entirely useless; presidentially-determined expediency would become then the standard of constitutional construction.

Under the rule of law, compliance with the forms and procedures of the law are as imperative as compliance with the substance of the law. A lynching is a totally inadequate substitute for a trial, regardless of the guilt of the victim. What Mr. Justice Frankfurter wrote in another context is equally applicable here: "The history of liberty has largely been the history of observance of procedural safeguards." *McNabb v. United States*, 318 U.S. 332, 347 (1947).

Under our system, constitutional powers must be exercised in a constitutional manner by constitutionally established institutions. Disregard of fundamentals in an area concerning the highest sovereign prerogative affecting the very lives and fortunes of its citizens in the interest of a short term expediency undermines "constitutional morality" to such an extent that the maintenance of the order itself is endangered." Friedrich, "The Philosophy of Law in Historical Perspective," p. 216 (Chicago, 1963).

Finally, it cannot be over emphasized that even a declaration of war by the Congress would not negate the violations of our obligations assumed under the United Nations Charter or negate the violations of international law inherent in United States intervention in Vietnam.

#### Conclusion

A learned authority in international affairs has stated:

"Bluntly, all the rules about intervention are meaningless if every nation can decide for itself which governments are legitimate and how to characterize particular limited conflict. Unless we are prepared to continue

a situation in which the legality of intervention will often depend upon which side of the fence you are on, and in which, therefore, our policy becomes one of countering force with force, we must be willing to refer questions of recognition (i.e., legitimacy of the government involved) and characterization of a disorder (i.e., whether an armed attack from abroad or a civil war) to some authority other than ourselves. The United Nations is the most likely candidate for the role."<sup>28</sup>

The United States has not observed the letter or spirit of its treaty obligations with respect to the action taken in Vietnam. World order and peace depend on the willingness of nations to respect international law and the rights of other nations. The United Nations is a symbol of the rejection of fatal policies which led to World War II, and an acceptance by the peoples of the world of the principles of collective security, and the avoidance of war and the use of armed forces in the settlement of differences between nations. The United Nations was intended to insure the preservation of international peace, security, and justice, through rules of law, binding upon all member nations. The fundamental condition for the effective functioning of the United Nations is the observance on the part of all signatory nations of the obligations assumed under the charter. Only in this way can the awesome potential of a third world war be prevented.

We have concluded that the U.S. Government is in violation of its treaty obligations under the U.N. Charter. We urge upon the Government that all steps be immediately taken to undo this illegality by an immediate return to an observance of the letter and spirit of the provisions of the U.N. Charter.

This is a solemn hour in history. We have a moral obligation to history to return to the high purposes and principles of the United Nations—to honor the pledges we solemnly assumed—to settle international disputes by peaceful means—to refrain in international relations from the threat or use of force.

At this fateful hour, we do well to recall the prophetic dream of President Franklin D. Roosevelt, the architect of the United Nations, who upon his return from the Yalta Conference in his last address to the Congress in March 1945, said:

"The Crimea Conference \* \* \* ought to spell the end of the system of unilateral action, the exclusive alliances, the spheres of influence, the balances of power, and all the other expedients that have been tried for centuries—and have always failed. We propose to substitute for all these, a universal organization in which all peace-loving nations will finally have a chance to join."

Should we not, 20 years after President Roosevelt's hopeful dream—20 years after the advent of the nuclear age with the awesome potentiality of incineration of our planet and the annihilation of our civilization and the culture of millennia—should we not "spell the end of the system of unilateral action \* \* \* that has been tried for centuries—and has always failed"?

#### RECESS UNTIL 11 A.M. TOMORROW

Mr. MORSE. Mr. President, if there is no further business to come before the Senate, I move, pursuant to the order previously entered, that the Senate stand in recess until 11 o'clock a.m. tomorrow.

<sup>28</sup> Roger Fisher, professor of law at Harvard University, "Intervention: Three Problems of Policy and Law" found in *Essays on Intervention*, a publication of the Marshon Center for Education in National Security, Ohio State University Press, pp. 19-20.

The motion was agreed to; and (at 7 o'clock and 16 minutes p.m.) the Senate took a recess, under the order previously entered, until tomorrow, Friday, September 24, 1965, at 11 o'clock a.m.

#### NOMINATIONS

Executive nominations received by the Senate September 23 (legislative day of September 20), 1965:

##### U.S. ATTORNEY

Thomas L. Robinson, of Tennessee, to be U.S. attorney for the western district of Tennessee for the term of 4 years. (Reappointment.)

Merle M. McCurdy, of Ohio, to be U.S. attorney for the northern district of Ohio for the term of 4 years. (Reappointment.)

## HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 23, 1965

The House met at 11 o'clock a.m.

The Chaplain, Rev. Bernard Braskamp, D.D., prefaced his prayer with this verse of Scriptures: I John 3: 11: *This is the message that ye heard from the beginning, that we should love one another.*

Eternal God, in these moments of prayer, may we come nearer to Thee and cling to Thee with greater love and faith and that we may have Thy light and love to solve our problems and perform our appointed duties.

We beseech Thee to enter our minds by ways known only to Thyself and send us into the crowded ways of life with hearts of compassion and as servants of Thy holy will and teach us that the hope of the world lies in the realization of God and the practice of brotherhood.

Help us to understand that we give proof of our religion when we resolve to make it strong enough to overcome our apathy, our antipathy, our unkindness, and strong enough to unite us in a fellowship and a willingness to serve the needs of humanity.

Let us never be content with toleration, but give us insight, understanding, and appreciation. May we reveal love where now there is hatred; where there is rancor, may there be concord. May we lead and lift ourselves and others into a more radiant faith in Thy love and goodness.

In Christ's name we pray. Amen.

#### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 597. An act to amend the Public Health Service Act to provide for a program of grants to assist in meeting the need for adequate health science library services and facilities.

The message also announced that the Senate had passed, with amendments in